



Daily Report

Latin America

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Cuba

Crackdown on Economic Crime, Corruption Reported

FL2410115590 Havana Tele Rebelde Network
in Spanish 1110 GMT 24 Oct 90

[Text] Since the beginning of this week, the forces of internal order in our capital have arrested some 200 individuals implicated in serious violations of the law and illicit and corrupt activities that generate indignation among the people, particularly under the special circumstances that the country is facing.

As a result of investigations carried out by the appropriate Interior Ministry agencies, well-known criminals have been arrested and will be brought to trial. There is solid evidence against all of them of continuous criminal activities against the national and popular economy and the society's heritage.

These arrests came as a result of actions by the Attorney General's Office, the courts, and the public forces in the framework of socialist law. They will continue to be carried out systematically and with increasing severity.

Carlos Rafael Rodriguez Denies Leadership Split

PA2410155990 Havana International Service
in Spanish 1400 GMT 24 Oct 90

[Text] Cuban Vice President Carlos Rafael Rodriguez has denied the existence of alleged differences within the Cuban Government. These lies were spread in Miami recently. He said that the Cuban revolution is more united, and stronger, than ever.

Carlos Rafael Rodriguez told Radio Havana Cuba that the rumors that two well-known personalities of the Cuban revolution, such as Juan Almeida and Jorge Risquet, had differences with our leader Fidel Castro and had been arrested for these alleged differences were absurd. He noted that changes in the management of the government had caused Risquet to be removed from the position of secretary of the Cuban Communist Party. He added that this decision had been reached for reasons other than those invented by the rightist sectors in Miami, interests which are seeking to defeat the revolution.

Concerning his recent interview with Spanish Prime Minister Felipe Gonzalez at the Moncloa Palace, Rodriguez reported that it had been a friendly meeting. They talked about Cuba's future for more than 90 minutes, he said. He added that the differences that arose between our countries during the so-called crisis of the embassies had been overcome and that the excellent relations enjoyed by Spain and Cuba had been renewed. This renewal will be apparent during the joint commission meeting in the next days, the vice president noted.

Carlos Rafael also stated that the most outstanding aspect of the meetings being held in the country to

prepare for the Communist Party's fourth congress is that these discussions show that people identify with socialism.

Rodriguez Interviewed

PA2410202090 Havana International Service
in Spanish 0100 GMT 24 Oct 90

["Excerpt" of interview with Vice President Carlos Rafael Rodriguez by Pedro Martinez Pirez at the Council of Ministers in Havana on 23 October—recorded]

[Text] [Martinez] I have come here to the headquarters of the Executive Committee of the Cuban Council of Ministers at the Plaza de la Revolucion in Havana to interview Cuban Vice President Carlos Rafael Rodriguez, a member of the Politburo of the Cuban Communist Party [PCC] and one of 28 prominent individuals from developing countries who belong to the South Commission. The South Commission has just held a meeting in Arusha, Tanzania; and the Persian Gulf situation and its impact on the Third World attracted full attention of the commission.

Dr. Rodriguez, during your return trip to Cuba from Tanzania you held an impromptu meeting, a previously unscheduled meeting, with Spanish Prime Minister Felipe Gonzalez at the Moncloa Palace. The Spanish media termed this meeting important and viewed it as a significant step in the process of normalizing bilateral relations following the so-called embassy crisis here in Havana in July and August of this year. How would you describe the meeting with Felipe Gonzalez at the Moncloa Palace?

[Rodriguez] I would describe it as an excellent meeting. Felipe Gonzalez and I were friends even before he became secretary general of the PSOE [Spanish Socialist Workers Party], long before he became the prime minister of his country. We have been friends for many years. When Felipe heard that I had passed through Madrid, he asked the ambassador why I had not stopped in to see him. Consequently, we met at the Moncloa Palace on my return trip from Arusha. We held a friendly conversation that lasted 90 minutes. We did not discuss the embassy problem, which is proof that that problem has already been overcome. We talked about the future of our country and about Felipe Gonzalez' concern over our country and its alleged isolation. He believed that we were about to rusticate [ruralization] our economy. I explained what we were doing, and somewhat allayed his concerns. Not entirely, however, because one has to know our country very well to understand that this small country is in a position to resist the attacks of U.S. imperialism in our current situation and with the difficulties we are facing as a result of the situation in the Eastern European countries and the uncertainty in the Soviet Union.

It was a friendly meeting, as usual. We talked a lot about Fidel and his ideas, and I explained what Fidel was doing

at this time by personally guiding Cuba's economy. Felipe demonstrated great friendliness toward Cuba, because the problems generated by the embassy crisis were provoked by foreign forces and not by the Spaniards. Of course, at the time we did not appreciate some statements by Spanish leaders and responded forcefully.

Nevertheless, the new Spanish ambassador to Cuba arrived in our country yesterday and said that such incidents could not disrupt a permanent relationship. Spain and Cuba have had a long relationship. Even during the Franco era we maintained good relations with Spain, so how can we not have good relations in the era of Felipe Gonzalez and a socialist government? Consequently, we can consider all of this as a thing of the past. Felipe and I confirmed what has always existed: excellent relations between Spain and Cuba. I believe these relations will reach new heights in the coming days with a meeting of the mixed commission and a resumption of other activities that had come to a halt. In sum, we can say that we are satisfied with that meeting.

[Martinez] Dr. Rodriguez, recent reports from Miami—which almost always distort Cuban reality—claim that the situation in Cuba is critical. At Radio Havana we even received a call from a newswoman at a fellow station, Radio Reloj, in San Juan, Puerto Rico, who—very alarmed, of course—wanted to know if there had been a military coup or an attack on President Fidel Castro in Cuba, and if two generals had been placed under arrest. According to that newswoman from Radio Reloj of Puerto Rico, the two generals were Jorge Risquet and Juan Almeida! [Rodriguez chuckles] Naturally I told her that these men were not generals....

[Rodriguez] They could very well be generals, if they had joined the army. Almeida is a very prominent person in our country, and you have seen him participating in activities in our country in the past few days. Consequently, it is ridiculous to believe that Juan Almeida has had differences with Fidel Castro and that these differences would lead to his arrest. That is absurd.

Jorge Risquet is a member of our Politburo, and is also a prominent person in Cuba. The changes that have been made in the government structure that led to Risquet's removal from his post as a member of the Secretariat of the Central Committee naturally have nothing to do with any such incidents. I would term that wishful thinking, [preceding two words in English] as the Americans would say. That is to say, some people would like these divergences to exist. However, the Cuban leadership is more united than ever, more consolidated than ever. There are no cracks in its unity. When the Ochoa case occurred there was talk of cracks. But what was the Ochoa case all about? It was a matter of corruption. Unfortunately Ochoa was a prominent member of the Armed Forces. Ochoa was portrayed as someone who opposed Fidel Castro, but Ochoa himself publicly explained the whole truth of the matter.

Consequently, we can say that the Cuban leadership is more consolidated than ever, more united than ever and stronger than ever, and that over the course of time it will prove that all of these stories are ridiculous. They are similar to reports made in 1961 during the Playa Giron situation. At that time I was in a diplomatic post in Quito, and I read a report that Ernesto Che Guevara had sought asylum at an embassy! [Martinez chuckles] That is to say, these are very crude fabrications that never have any effect whatsoever, and they self-destruct in a matter of days. Those who saw Almeida at the funeral of Rene Rodriguez and those who have seen him participating in Cuban politics in recent days comprehend that none of this.... Our people know the truth and reject this type of speculation. This type of speculation is successful among those who do not know us well or do not know us at all, and among those who hope and wish that such things would occur.

[Martinez] Thank you, Dr. Carlos Rafael Rodriguez, for this statement for Radio Havana.

Castro Inaugurates Center for Blind in Bejucal

FL2410170490 Havana Cubavision Television
in Spanish 0241 GMT 24 Oct 90

[Speech by President Fidel Castro inaugurating the National Center for the Rehabilitation of the Blind and Visually Handicapped in Bejucal Municipality, Havana Province, on 22 October—recorded]

[Text] [Applause, crowd chants: Fidel! Fidel! Fidel!] Sit down, please, over there. [Words indistinct]

Dear friend (Arne Yusbiek) [secretary general of the Norwegian Association for the Blind], right arm of the institution that we inaugurate today; distinguished guests; students and workers of this National Center for the Rehabilitation of the Blind:

I was not on the list of speakers but nevertheless, I was pressured to come to this ceremony. I do not know why I say I was pressured. That was the attitude of those who asked me to attend this ceremony but, on my part, I did not need to be pressured very much.

I toured the area yesterday and visited a few things. I passed by the city [corrects himself] small town of Bejucal—we can not call it a city yet [chuckles] but it will be one day—and I remembered that this center was going to be inaugurated today and I decided to tour the area. Sometimes it is easier to see things when there aren't a lot of people around. I spent a few minutes here speaking to the workers.

I joked with the woman who represents.... [changes thought] What institution do you represent? [Unidentified woman: "Me?"] Yes. [Woman: "I represent the Norwegian Association for the Blind"]. Oh, you represent the Norwegian Association for the blind. She is touring Latin America and she has already learned to speak Spanish and she has expressed a lot of interest in

this project and in the programs to organize the course. She saw me over there on my way out. She said.... [changes thought] She came over here quickly. I had not left the center. Yesterday, I attended a family party. At least today I can tell the story, because I [words indistinct, interrupted by laughter]. I attended a family party but it was held at the house of the director [Juan Cancio Valdes] who spoke here. I joked with her. I said: I thought that the ceremony was today, Sunday, and I see that there is nothing here so I am leaving now. She was also very persistent. I right away decided to attend the ceremony because I think that many things come together in this school. We can call it a school because it is a school. It is a school for adults. Many things come together here. The spirit of solidarity has come together here.

I said that Mr. (Arne Yusbick) is the right arm of this institution because he was the driving force. He made great efforts through his institution. He directs the blind institution there but he also manages the European institution, of which he is second president. We have been briefed on the relations of the European blind associations. He wanted to promote this school and he made gestures to his government, the Government of the Kingdom of Norway, which made an important donation that covered approximately half the costs of this school. When we received the news of this gesture, we immediately became interested in seeing the school built with the appropriate quality and the appropriate speed. The first goal was accomplished but not the second one. In reality, we chose the Uneca [Union of Caribbean Construction Enterprises] because of its construction experience and because of the quality of its work. I have not inquired very much about the factors that delayed the construction of the school but we have to say that it began in 1985 and it is now 1990. Approximately five years have been spent on the construction of this school. We can say that the school has been constructed with excellent quality, great quality. We must say this because it has the quality of a five-star hotel.

Good. That gesture is truly beautiful and we cannot measure gestures by the size of anything, by the size of the donation or whatever aid is given to our country, but by the feeling that accompanies that aid. We were moved by the decision to donate around \$2 million to build the school. The donation was not just in dollars, which is the convertible currency that has been spent on the construction of the center, but also the support provided on how a center of this kind should be built since we did not have much experience in this.

Well. [crowd laughs as it begins to rain] I can feel it but I do not know about you. [crowd applauds] Ok, it is not raining hard. [Unidentified speaker: "It will pass quickly."] You think it will be over soon? OK, we will get a little wet. This way I will finish faster. [laughter] It is OK.

We said that we did not have experience with this type of institution but we have experience with special schools for those who are visually handicapped or blind. In the

capital itself, we have constructed 24 of these special schools in the past few years, including two schools for the visually handicapped who have problems. All of them provide treatment and are also schools for the blind. However, we had no experience with this kind of institution. They not only gave us economic aid, but they also donated their experience. They sought international cooperation to establish courses to train our technicians and professors for this school. In this way, the institution began operating about a month ago and it is being inaugurated today on the occasion of the visit of (Arne Yusbick). Norwegian is hard to pronounce. [laughter] I have learned the first and last name of our Norwegian friend with much interest.

After the tour we took today, we had the opportunity to talk with almost all the students. I was pleased to greet almost all of them. Some may say that this encourages those who are undergoing rehabilitation and I say that it encourages those who visit the centers when they see the students struggle, make an effort to learn, and see them full of interest, enthusiasm, and full of will. The ones who receive the injection of encouragement are those of us who speak with them. At the same time, it is very pleasant to speak with the technicians and workers and observe the very profound love they have for their work. They have an immense love for it. There are many people like them in our country. I have gotten the same impression from speaking to the professors, teachers, and workers of the special schools or of the hospitals for the handicapped or of those who work for the hospitals that have to fight against certain problems or diseases that can be described as cruel. Thousands and thousands of our compatriots work in those places. There is no doubt that they have a special vocation. We were not surprised at all by this, but we did admire seeing the total dedication of the center's workers to their duties, their work. There is no doubt that these workers were well chosen and that the human factor is more important than anything else for the success of the institution. I always complain about the staffs and I always say they are inflated. This is the first time in my life that I have seen a staff and it did not seem inflated to me. I think that the work they are doing requires attention, effort, and great efficiency.

Another factor that makes one stop and think is the humane nature of this institution, of the extraordinary service it renders. We were impressed by what was said here. A peasant lived around here for 30 years and never left. I heard about many of the people who are undergoing rehabilitation in this center who practically never leave their homes. That is why it is moving to see the meaning of this institution, how it prepares the students—we will call them students; others call them rehabilitants—to help themselves in everything, how to walk alone, how to go out alone on the street, how to cross the street on their own, how to do whatever a person needs to do to be self-sufficient, as was stated here. They are taught to cook, make coffee, clean the house. They are taught to read, write, and do math.

We spoke with some who did not previously attend any kind of special school. We spoke with several youths who told me that they attended the Abel Santa Maria School. For those students, the issue of reading, writing, different kinds of communication, is no longer a necessity but they need to learn all the other things of which we spoke for their own independence. They also learn manual skills here, productive skills, and the possibility of earning their own living. These are important factors that help a person feel good and happy.

I was very happy to see that spirit among the students of this center. Speaking with them, talking to them, seeing everything they do and how they do it, makes us appreciate the value of an institution such as this. I do not know what the total needs of our country are in this regard. I do not know if we will have to build another center later. We will have to analyze this. This has an important implication. People say that it is the largest center of its kind in Latin America. It is also said that it is undoubtedly the best center of its kind. I think, after getting to know this institution very well, that the first thing any government should do in any part of the world is build an institution like this one.

I asked if 80 students was a lot, and the representative of the Norwegian Association for the Blind said: No, a school with 80 students is a very big school. It is a big institution. There are 52 boarders. It is assumed that later on it will have 30 day-students. I do not know what experience will tell us in the end. We might reach the conclusion that all students should be boarders, because they might have to travel great distances to Havana Province. But in the end, this is how the school was conceived and life will tell us how it can function as an institution for day-students.

All these things are truly very impressive, moving. The center itself, as I previously said, is marvelous. We have seen the kitchen, dining room, and other areas in the school for other activities. We saw the students acting. They were well-prepared after only 10 days of practice. They did very well. The school has all the material things it needs for education. It has all the facilities. It also has a large, specially designed pool for swimming lessons and exercise, and competition sports. It has a track where they teach the rehabilitants to run. This school is not lacking anything at all. I repeat, we have been greatly impressed with it.

Comrade Linares [Francisco Linares Calvo, minister president of the State Committee for Labor and Social Security] was explaining here in general what the revolution's programs are for the handicapped, for the elderly. He gave some important statistics. I do not have to repeat anything in this regard. The institution that we inaugurated here is completely new in our country. I think this institution will be the pride of Cuba. It will also be the pride of Bejucal which is here on the outskirts.

Two important institutions have emerged. One that is under rapid construction now is the biological products center. It is a large project in regard to human health and science. I am certain that the neighbors of this town will feel very satisfied and proud of this institution. Now they have another top-notch institution—this one. Not far from here is (Senpalap) [not further identified], which I think also comes under the jurisdiction of the municipality. It is another important center although perhaps there is a dispute between Santiago de las Vegas and Bejucal as to who the proprietor of the center is. However, I think that this extraordinary progress has to be a source of satisfaction for the neighbors of this locality.

The little town of Bejucal is an old colonial town with important historic traditions, cultural traditions. It is a town in which I always get lost. I have never passed through Bejucal without getting lost, especially when I try to visit the biological products center that is under construction. I take one street then I take another. A short time ago, I made five turns and there was no one who could tell me how to get out of this town. [laughter, Castro chuckles] We will have to do something about it. One day we will have to put a ring road around it or something else that will help.

I did not go very far yesterday without getting lost again. We got lost. We took a road that was suddenly blocked off. We had to turn around, take four turns, and I still do not know how we got here. If I arrived late today—fortunately I arrived 30 seconds prior to the ceremony—it would have been the fault of the town of Bejucal because no one is certain that they can go through it without getting lost. I do not know how this problem will be resolved because it will have to be handled by architects, by the specialists in urban development and in historic preservation. They will have to determine how a colonial town can be fixed up. It was built when there were no trucks, no cars. Everything was done by horse or oxen and horse-drawn carts. However, the ambience in this area is magnificent for this kind of activity.

I am certain that the scientists, the vaccination manufacturers in the biological products center, will distinguish themselves. The workers of this school will distinguish themselves, too.

To look at the scenery, the beauty of this scenery, the different kinds of trees, we cannot but be thankful for the nobleness of that peasant woman, who unfortunately died. She donated the land for the reconstruction of the center. She donated 3.4 hectares of the 34,000 cubic meters that the institution is on, which allows it to plant some crops in order to be self-sufficient. Rehabilitants are participating in this planting. It has sufficient land for the chicken farm, which no one mentioned here. It can produce 5,000 chickens every three months, more or less, every three or four months. If we figure it out, how much would it be? If it was 200, then they would produce 20 chickens a month. [numbers as heard] I hope they do not eat them all. [laughter] There are other schools.

There would be 200 chickens. There are 79 workers on a staff and a total of 80 students, which totals 159. It is still entitled to an even higher quota, if they are truly efficient in breeding chicken. The school even has a poultry center to produce part of the food consumed here. It truly has enough room.

I think that we should all feel like we are part of this school. We should all feel like godfathers of this school. We should be interested in it. We should cooperate with it. I think that its director is an example of what man can do despite difficulties. He is the director of the school. I spoke with him many times throughout the tour. I can assure you that he is on top of everything. He knows everything. I am certain that there is no one more qualified than him to manage this school. We must cooperate to the utmost with this institution. That is what I wrote in the visitors book. I said that we would closely follow its progress and cooperate as much as we can. I am even invited to a wedding. [applause] It will be at the end of the school year. One of the students, who is very enthusiastic, very skilled, is getting married. He told me with joy that I was invited to his wedding. I asked him when the wedding would be held and he said that it was at the end of the school year so the wedding will be in January or February. It will be at the end of January. Who knows how things will turn out. There may be other weddings by then. I am invited and I plan to attend, to participate in that wedding. [applause] It undoubtedly will be an event, an event held in this institution, which once again reflects the extraordinary human nature of this center.

I must say that one leaves an institution like this one not with sorrow but with joy, and not with sadness. Because I think that a comrade or compatriot, a compatriot of Cuba or Latin America, because I spoke with some Latin Americans here.... [changes thought] One of them impressed me very much, a Salvadoran who was there fixing up a room, but the temperament, the courage, the dignity with which he spoke of his new life and new tasks was really very impressive.

This is why no one can leave here with sorrow, but with joy, optimism, and greater faith in human beings, because some tests, some difficulties, give the true measure of human greatness. And here in all respects—the workers, teachers, technicians, students—have had today a measure of human greatness. [applause]

Because of the international nature of this ceremony, I am not going to repeat our invariable and immortal slogans. I am going to express our infinite gratitude to Mr. (Arne Yusbick), the Norwegian Association for the Blind, the Norwegian authorities, who made a contribution so that today we could have this magnificent school—not only a material contribution, but also ideas—and say: Long live friendship! Long live peace! Long live solidarity! [crowd responds: "Long live!"]

New Spanish Ambassador Arrives in Havana

PA2410221790 Havana International Service
in Spanish 0000 GMT 24 Oct 90

[Text] Gumersindo Rico, new Spanish Ambassador to Cuba, said upon arriving in Havana that relations between both countries are permanent and above any temporary situation.

The Spanish diplomat was welcomed at the airport by Luis Martinez, deputy director of protocol of the Cuban Foreign Ministry, who voiced the Cuban Government's interest in maintaining good relations with Spain.

Ties between both countries were affected after 18 people were given refuge in the Spanish Embassy in Havana, until they voluntarily and unconditionally left.

GRANMA Reports on Construction of Modems

PA2410234090 Havana International Service
in Spanish 0000 GMT 20 Oct 90

[Text] Modems, made in Cuba, which allow the installation of a nationwide computer network, are already operating in the country, after completion of an experimental phase. The newspaper GRANMA today carried a report on the work of a group of physicists, mathematicians, and other experts, who designed, built, and put this service in operation. Henceforth, computer service users can be interconnected by calling certain telephone numbers in their respective areas. They can be interconnected abroad via satellite. According to GRANMA, the interconnection system manufactured in Cuba is as reliable as the best that can be purchased abroad, and at one-fifth to one-tenth the cost.

Formation of Argentine Friendship Committee Noted

FL2410130190 Havana Tele Rebelde Network
in Spanish 1100 GMT 24 Oct 90

[Text] The Argentine Chamber of Deputies has agreed to establish a friendship committee with Cuba, according to legislator Saturnino Danti Aranda of the ruling Justicialist Party. Aranda, who is president of the chamber's foreign relations commission, made the announcement during a dinner party hosted by Cuban Ambassador Miguel Bruguera, to mark the visit to Argentina by Zoila Benitez, vice president of the National Assembly of the People's Government.

The decision was endorsed by 23 legislators of various parties who were present at the meeting. They noted the need to strengthen the links of friendship and solidarity with Cuba.

Barbados

Central Bank Estimates 3 Percent GDP Decline

FL2410184790 Bridgetown CANA in English
1622 GMT 24 Oct 90

[Report by Reudon Eversley]

[Text] Bridgetown, Barbados, Oct 24, CANA—After seven straight years of positive growth, the Barbados economy is heading for a three per cent decline in 1990, according to the Central Bank. Governor Dr. Kurleigh King, at a Tuesday evening news conference, said output up to September was down three per cent against the corresponding nine-month period in 1989.

"We don't expect things to get any worse for the remainder of the year," he said. "So we are currently estimating for 1990 that our GDP (Gross Domestic Product) will decline about three per cent."

The Barbados economy grew in real terms last year by 3.5 per cent. This year's decline has been attributed largely to an unexpected fall-off in tourist arrivals and continuing weak performance by export manufacturing. Tourist arrivals were down 7.6 per cent up to September against the corresponding period last year. Manufacturing registered a 2.6 per cent decline. These two sectors are Barbados' main foreign exchange earners.

"I dare say that if we had not had a simultaneous decline in tourism and manufacturing that perhaps we might not be facing an overall reduction in our GDP this year," King said.

Faced with higher expenditure and a 44 million dollar drop in revenue resulting from the contraction in the economy, the government's fiscal deficit widened to 164 million dollars (one Bds dollar = 50 cents U.S.) up to September. This figure represents a 123 million dollar increase on the corresponding period last year. Higher civil service salaries and wages, and increased foreign debt servicing were cited as the main reasons for the rise in current expenditure.

King said the island's foreign reserves continued to decline but at a slower rate than last year. The decline up to September was 59 million dollars, compared with 100 million last year.

"We need to be concerned.... but the situation is not desperate by any means," said the Central Bank chief. "We have to make sure now that we turn around the foreign exchange earning sectors before we can really say that we are out of the woods."

Current foreign reserves—the precise figure was unavailable—were estimated as the equivalent of two months of imports. In the prevailing circumstances, King said credit restrictions imposed last year to curb the outflow of the foreign exchange would have to remain in effect. These controls are related to the personal, consumer, and distributive sectors and were aimed at dampening import demand. King said the measures were having the intended effect, with imports showing a 3.5 per cent decline up to September compared with a 20 per cent increase a year ago.

"If we were not unlucky enough to have experienced a decline in the export sectors...., this reduction in imports would have been sufficient for us to remove the controls already," he said.

King said the fiscal deficit was "too high." He suggested, however, that drastic cuts in government spending could mean a loss of public sector jobs.

The solution to the deficit was producing more for export, he said. "If the country produces more for export, the government deficit would not be a problem because.... The government would be earning more in (taxes)," he added. The deficit was financed entirely from domestic sources, mainly the Central Bank and commercial banks.

On the prospects for recovery in tourism, King said that notwithstanding unfavourable international market conditions, most solutions to current problems were "in our own hands." He called for an end to the harassment of visitors on the beach, and for Barbadians to adopt a more welcoming attitude towards visitors. He also suggested a need for new approaches to marketing Barbados as a tourist destination.

With respect to manufacturing, he said it was time for Barbados to aim more at producing high cost goods and shift the focus away from low cost activities like garment manufacturing in which the island was rapidly losing its comparative advantage.

"In the services sector, we have much greater potential," said King, calling for emphasis to be placed on computer related services, data processing, and related activities.

British Virgin Islands

General Elections Scheduled for 12 November

FL2410215590 Bridgetown CANA in English
2141 GMT 24 Oct 90

[Text] Road Town, Tortola, Oct 24, CANA—The British Virgin Islands holds its general elections November 12. Nomination day is November 1. The government of the British territory announced the dates Wednesday.

At least thirty-six candidates have said they will be contesting the nine electoral seats. Twenty-six candidates ran in the 1986 snap elections. The ruling Virgin Islands party of Chief Minister Lavity Stoutt is facing competition from three other parties, including the new Independent People's Movement of his former deputy chief minister, Omar Hodge.

The other parties are the People's Progressive Democratic Party, which includes former chief minister Willard Wheatley, and the British Virgin Islands United Party. There are fifteen independents running for office.

The recently published preliminary voters list shows 7,550 registered voters in the territory. That list was

being reviewed up to last week, with a final voters list due out by law no later than seven days after the date for the elections is announced.

Dominican Republic

Vice President Morales Endorses Pena's Proposal

FL2410172690 Santo Domingo Radio-Television
Dominicana Radio Network in Spanish 1600 GMT
24 Oct 90

[Text] The vice president of the Republic, Carlos Morales Troncoso, has approved the proposal of the president of the Dominican Revolutionary Party [PRD], Jose Francisco Pena Gomez, to create a collective government with President Joaquin Balaguer at the head. The vice president maintains that the PRD leader's proposals are part of the ongoing democratic effort in the Dominican Republic. Carlos Morales Troncoso indicated that Pena Gomez should take his concerns directly to President Balaguer.

Additionally, the vice president said that the demands made by some sectors calling for Balaguer's resignation are senseless.

Bank Intends To Maintain Currency Operation

FL2410175890 Santo Domingo Radio-Television
Dominicana Radio Network in Spanish 1600 GMT
24 Oct 90

[Text] The Central Bank will continue its program of gathering foreign currency, or the so-called Duarte Operation, until those who traffic with dollars understand that the government intends to enforce the law. This warning was made by Central Bank Governor Luis Toral Cordoba, who said that the enforcement of this program has raised the amount of foreign currency deposited with the bank, although not as quickly as expected. He felt that the increase in the amount of dollars gathered in the official system was not related to the fall in the black market. The former presidential administrative secretary said that those businesses and individuals who generate foreign currency have been negligent.

Haiti

Aristide Outlines Campaign Strategy, Objectives

FL2410163390 Havana Tele Rebelde Network
in Spanish 1340 GMT 24 Oct 90

[Interview with presidential candidate Jean-Bertrand Aristide by Milton Diaz Canter and Jose Alberto Calles in Port-au-Prince on 21 October—recorded; reporters not individually identified]

[Text] [Reporter] Father Aristide is one of the most popular leaders in the Republic of Haiti. Aristide decided to register as a candidate to the highest office of this Caribbean country in the past few hours. Father,

why did you decide at the last minute to register as a candidate to the Presidency of Haiti?

[Aristide] I have always said that I was not a candidate, but I have also said that I want to conform to the will of the people, because in the theological area, to do the people's will is to do God's will. So, since the people have asked me to do this, I have obeyed, and in obeying, I feel at peace with my conscience.

Haiti's reality is presented today as a crossroads at which the antidemocratic forces, the forces of the Macoutes, want to wipe out everything that we have tried to do in order to build democracy in Haiti. They do not want any democratic elections. Since we have always demanded justice before elections, security before elections, those who do not want us—the people—, to have authentic participation in the elections have decided to put people [words indistinct]. In this way, they want to organize their kind of elections, which they will later describe as democratic, but which in fact would not be democratic, and we would see a new government with the same criminals, the same Macoutes, this time (?in disguise).

That is why, although we have always felt that in a country where there are corrupt structures, only a revolution, and not elections, can bring solutions. We believe that in today's Haiti, it is necessary or possible to choose a strategy of participating in elections, but with one condition: that we be the majority in those elections; that we represent the people itself in those elections. In this way, we—the active forces of the country—will clearly be a lot stronger, and by playing this strategic game, using what we could call a tactical alliance, we said yes to elections, but to elections that can be democratic under those conditions. Why? Because our votes, the votes of the majority will be cast. And, if along the way they try to deceive us, of course since we will be, and are already the majority, we can stop at any time. And if we stop, it will not be possible for them to tell international opinion that they have organized democratic elections; that the Haitian people have chosen a Macoute, that they want a Macoute government.

In the crossroads that I have mentioned, we the Haitian people are trying to establish conditions of struggle, a struggle to build a true democracy. That is why I speak of elections in those terms.

[Reporter] If Father Jean-Bertrand Aristide assumes the highest office in Haiti, what would the first measures he would take as the constitutional president?

[Aristide] If one is not the voice of the people, one kills the people. Well, the people know this. That is why the people's power makes me the voice of the people, one who will have to lead the people. With the United States, for example, it is a matter of seeing a people, the Haitian people, negotiating with respect, negotiating without provocation, without lowering themselves to their knees. Establishing a relationship of equality, in which through dialogue, it will be possible to create what we might call

new relations, not the relation of a boss faced with a person on his knees, but of two equal countries.

[Reporter] You have spoken on the international level of Haiti's relations with the United States. What about the other (?Latin American countries)?

[Aristide] [Words indistinct] Of course, to me Cuba is a country that I love, because I love the Cubans. Throughout the course of history, they have shown—not just with words, but with deeds—that they can stand up before the world with dignity, trying to build a country in which men and women can eat, go to school, can have what they need when they are ill: a country in which there is an attempt to provide social justice to the Cuban people. Of course, when we in Haiti have seen what has happened in Cuba, we cannot close our eyes and believe that we can give the United States a gift by showing them that we Haitians will try to distance ourselves from Cuba in order to say that we are on the side of the United States. No. In the United States, there are men and women. In Cuba, there are men and women, and the relations that we want to have with the United States, as well as with Cuba, are above all, human relations that are balanced, relations as equals, as men talking with other men without demeaning themselves.

With the other Latin American people, we are of course waging the same struggle: the struggle for justice, the struggle to defend ourselves, not to beg for what the United States would have to give us as favor, but to take the paths along which, with dignity, we can demand a little of what it has been taken from us in the period of colonization; even today, through the colonization that is portrayed as democracy, when it is actually a democracy for a small group.

Well, the time has come in which our country is saying, and will continue to say, to all Latin American countries: United, we will be able to struggle for the total liberation of the Latin American territory. We have the human resources, and through those resources comes the light to open the way so that there will be new men, new women, on both sides who are trying to build a new land with relations of justice for all, respect for all, and work for all; in other words, a true democracy.

Communist Views Aristide Candidacy Implications

FL2410161590 Port-au-Prince Radio Metropole
in French 1600 GMT 23 Oct 90

[Text] Max Bourjolly—the second in command in the Haitian Communist Party (PUCH)—says that he is not condemning Father Aristide's candidacy, but rather the actions that led up to his nomination. He specifies that he speaks only on behalf of his party. He accuses the Democratic Convergence and the Honor and Respect for the Constitution Group of wanting to boycott the elections, because such a large shift of people could give rise to confrontations with the Macoute sector.

[Begin Bourjolly recording] The people from the Democratic Convergence and from the Honor and Respect for the Constitution have maneuvered in such a way as to fulfill one objective. Since the Democratic Convergence has no time to organize as a political party, with representatives at every level, they created a situation to provoke confrontations, and from there boycott or stop the electoral process. Given this situation, the Democratic Convergence will then have time to organize and present their own candidates at every level. At that time, they would not choose Aristide as a presidential candidate because they consider him to be a leftist, an extremist, and a populist.

The other side of the issue is that since there will be a big swing of people coming from the marginal areas, these people will create a climate of fear that will allow the Macoutes to react the way they [Democratic Convergence] expect.

We have nothing against Father Jean-Bertrand Aristide. He is a figure we all respect, but we disagree with the methods used by the sector that motivated him and of the objective behind his nomination. It is because of this that the denunciation we are making, will be helpful to democracy today and tomorrow, and might also benefit the people who have great hope in Father Aristide's candidacy and who might be disappointed in what will happen in the future. [end recording]

The second in command for PUCH also denounced some political interests of the Honor and Respect for the Constitution Group and the Democratic Convergence, which according to him, want to use Father Aristide in a fight that is not even a fight for change. They want to sacrifice Father Aristide. They know that he will not win the presidency, but they can use him to reach a specific goal. Bourjolly even goes as far as to term these maneuvers diabolic. He also thinks that the priest's candidacy is a low blow dealt to the National Congress of Democratic Movements (Konacom) arising from a coup d'etat within the National Front for Democracy and Change (FNCD). This is an organized plot, behind Victor Benoit's back, by a small group inside the FNCD. We point out that this coming Sunday, Konacom will hold a special meeting, which might provide other surprises.

Manigat Comments on Candidacy for President

FL2410181990 Port-au-Prince Radio Soleil
Network in Creole 1100 GMT 24 Oct 90

[Report on news conference by former President Leslie F. Manigat, leader of the Assembly of National Progressive Democrats (RDNP), at the Montana Hotel in Port-au-Prince on 23 October]

[Excerpts] Yesterday, former President Leslie F. Manigat held his first news conference since his return to Haiti. The former president called on all national progressive democrats to unite, and presented himself as the new solution for Haiti. Let us listen to reporter Fernand Blyon.

[Begin recording] [Biyon] Nine days after he returned to the country, Professor Leslie Francois Manigat, leader of RDNP and one of the 26 citizens who have registered as presidential candidates, met members of the press on Tuesday, 23 October at Montana Hotel.

According to the professor's news conference statements, he represents the national conscience and he is in favor of unity within the national camp. Even if a person, a sector, or an organization does not have the same political tendencies as the RDNP, once they are defending the Haitian people's interest, they have their place in the national camp. It is not enough to be aware of the danger, but we must react so that the situation does not deteriorate completely. While looking for a cure, we must be careful that we do not choose doctors who just come to poison the patient. This statement appears to be a pointed remark, by the professor, aimed at the Macoutes who have openly appeared on the political scene at this time. Manigat denounced rumors that some political leaders had paved the way for his return to the country, my return was not arranged by anybody, he said.

[Manigat] [Words indistinct] that the day of my arrival I had a private conversation with a famous political leader who gets spoken about alot at this time. [reference to Dr. Roger Lafontant] I had never met him before because, when I left Haiti in 1963, his political star did not yet rise and, when I came back to the country, his political star had already set. [applause] [passage omitted]

[Biyon] Professor Leslie Manigat thinks it is time for us to come into the democratic arena so as to put an end to three successive crisis that have occurred since 1986: the crisis for development of democracy in the country, the crisis of the Haitian social system, and the crisis that is destroying the country. Professor Manigat has proposed the return to a modern social system. He thinks that not just anyone can lead a country. Professor Manigat further adds that everybody has a contribution to make in saving the country, but one cannot ask an agronomist to build a bridge. In order to save the country, however, he will collaborate with everybody, all sectors, every association, and any political party whatever their tendencies might be. [passage omitted]

The former president, elected in the 17 January 1988 gerrymandered elections, announced that he has trouble with the electoral law which, according to him, is not quite right. He also worries about elections organized by the Provisional Electoral Council on 16 December, especially when he considers that they are asked for, imposed on, and financed by foreign partners. [passage omitted] Moreover, he said he is the only solution for rescuing Haiti. [passage omitted]

Professor Manigat said that Jean-Bertrand Aristide, as a citizen, has a full right to run in the election. But, as he said in the last news conference he held before the 20 June 1988 coup d'etat by General Henry Namphy, he thinks it is because of the greatness of God that he is back in the country again. [end recording]

Costa Rica

Commission To Investigate Financing of Parties

PA2410210990 San Jose Radio Reloj in Spanish
0200 GMT 23 Oct 90

[Text] The legislative commission on drug trafficking has begun its investigation into the financing of political parties. Heeding one of the recommendations by the previous commission that investigated drug trafficking, they are looking into the financing of political parties. Interpol agents in Costa Rica and the Judicial Investigation Agency will go before the commission to brief the deputies on anything they may know about the subject.

On 25 October the director of a station, which carried an interview with Panamanian Jose Blandon [former aide of Manuel Antonio Noriega] in the United States, may be summoned to provide further information. This investigation was undertaken because several groups have received donations from persons and groups that were later discovered to have ties to drug trafficking. Politicians from all parties deemed it necessary to regulate the financing of parties, especially during electoral campaigns. According to Jose Blandon, followers of the Social Christian Unity Party received financial aid from Panama's strongman Manuel Antonio Noriega.

El Salvador

Rebels Reject U.S. Cease-Fire Proposal

PA2410191690 Hamburg DPA in Spanish 1609 GMT
24 Oct 90

[Text] San Salvador, 24 Oct (DPA)—The Farabundo Marti National Liberation Front, FMLN, today rejected a proposal from the United States for a cease-fire in El Salvador; a cease-fire has been mentioned as a condition for the military assistance—which was cut by 50 percent—that was approved for El Salvador.

The FMLN announced its stand in a communique read over Radio Farabundo Marti, one of the clandestine radio stations operated by the guerrillas. In the communique, the rebels noted that the United States has three options: 1) To maintain or increase the aid to El Salvador; 2) To reinforce assistance to the Salvadoran Army; or 3) To take away the assistance.

Conditions that involve the FMLN, however, will not be accepted in any manner as long as such aid is not completely cut. This is what both the FMLN and the international community, which is in favor of democracy, have been demanding. The Salvadoran opposition political groups, various social groups, and the church have also been demanding a cut in the assistance.

The rebels' stand was announced a few days before a new round of negotiations begin in Mexico. These negotiations will be mediated by Alvaro De Soto, who is the special delegate of the UN secretary general.

Regarding the conditioned military aid, Colonel Rene Emilio Ponce, chairman of the joint chiefs of staff of the Salvadoran Armed Forces, said yesterday that he considered this a regrettable and negative fact for the Armed Forces and a positive one for the FMLN, which considers it a victory.

"Our friend is pulling out, and he wants to leave us after we have walked a long and difficult path. There should be positive results for the Army," Ponce said.

Meanwhile, preparations for the next round of talks to be held in Mexico on 4 November continue with the arrival in El Salvador of UN delegate Alvaro De Soto. Today he will meet with delegates of the government and church, political parties' representatives, union leaders, and representatives of other social groups. Tomorrow he will travel abroad to consult with the FMLN.

The Interparty Commission—which is made up of delegates of at least nine political parties—met yesterday afternoon with President Alfredo Cristiani to deliver a draft of the Electoral Law amendments, whereby El Salvador may guarantee an acceptable electoral process for the March 1991 election of deputies and mayors.

The Interparty Commission wants the FMLN to receive a copy of this document, and the president of the Republic said that it has official backing, as he promised several months ago.

Even though the elections play an important role in the democratic process, this is not the most important issue for the rebels. At the negotiating table, however, the main thing is to exert pressure on the government so that it will accept the demilitarization of the country and the purging and reduction of the Armed Forces and so that it will be committed to eliminating the Army so that by the year 2000, El Salvador will begin to organize a new security force under a civilian power.

The FMLN says that as long as there is resistance to this proposal—which is the basis for a true democratic process—one cannot be optimistic about possibilities for peace.

FMLN Leader Views U.S. Military Aid Cut

PA2410191890 Panama City ACAN in Spanish
1721 GMT 23 Oct 90

[Text] San Salvador, 23 Oct (ACAN - EFE)—The Salvadoran guerrillas today warned that they will maintain their military plans, without changing them because of the U.S. Senate decision to cut half of the military aid to El Salvador.

Eduardo Serrano, one of the commanders of the Farabundo Marti National Liberation Front (FMLN) operating in northern El Salvador, said that as long as there is no solution to the causes of the war, "we will launch however many military offensives are necessary to bring real democracy to the country."

"The suspension of U.S. military aid to the Army in exchange for a cease-fire on our part is a demand that has nothing to do with the causes of the conflict," Serrano stressed.

The U.S. Senate approved a 50-percent cut in the \$85 million annual military aid to El Salvador, and it conditioned that aid to respect for human rights and the solution of the case of the assassination of six Jesuits, a maid, and her daughter in November 1989.

Serrano said that as long as no specific agreements are reached in the negotiations between the FMLN and the government, "weapons will guarantee that changes will be undertaken in the country." The next round of negotiations will be held in Mexico on 4 November.

"That is why the issue of the Armed Forces must be maintained as a point in the next meeting and in future rounds of talks, until specific agreements are reached," the guerrilla leader added.

Serrano spoke to the press in Chalatenango Department, which is located 80 km north of San Salvador and is one of the departments where the guerrillas are most active.

The rebel leader denied claims by the Alfredo Cristiani government that there are divisions in the FMLN between a "militaristic" sector and another that favors negotiations to end a decade of armed conflict.

He added that the FMLN is willing to reach agreements in the meeting in Mexico, as long as the government and the Army "show willingness to really negotiate."

Meanwhile, the Salvadoran Armed Forces reported today that a soldier was killed and seven soldiers were wounded in clashes with the guerrillas in eastern and northern El Salvador in the past few hours. The guerrillas reported that five soldiers were wounded in the ambush of a military vehicle.

The police reported today that three women and two men were turned over to the courts, accused of participating in the FMLN attack on the Salvadoran Air Force installations on 17 October. According to the police, one of those arrested, identified as 43-year-old Roberto Portillo, is a political-military leader of the guerrillas who participated in the FMLN offensive in November 1989.

The other people under arrest are Edith Emilia Gomez, Irene Beatriz Barahona, Silvia Yanira Hernandez, and Omar Herrierto Quintanilla.

Gomez and Hernandez are students of the University of El Salvador, sources at the university reported.

Students Protest Military Intervention

PA2410205990 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 24 Oct 90

[Text] The General Association of Salvadoran University Students, AGEUS, has reported that approximately 25 soldiers and three armoured vehicles are currently

surrounding the university campus. The AGEUS asserted that the measure was implemented after the guerrillas attacked the Air Force installations on 17 October, and they said its purpose is to intimidate the students.

The student organization added that policemen and First Infantry Brigade soldiers thoroughly search every vehicle that enters and leaves the university campus. The soldiers are searching for weapons and guerrillas that have supposedly entered the university. Salvadoran policemen have arrested three University of El Salvador students and two other people and accused them of participating in the attack against the Salvadoran Air Force. The guerrillas wounded five soldiers and damaged six helicopters during this attack.

AGEUS General Secretary Carlos Castillo noted that the Army has violated the agreement [words indistinct] signed between the government and the guerrillas in Costa Rica in July. The agreement indicated that both sides should refrain from making night arrests. The three mentioned university students were arrested at [word indistinct] residence at night, and this is a violation of the agreement, Castillo stressed. He added that seven university students have been arrested recently and sent to stand trial for subversive actions. He also observed that 15 other students have been in various jails in the country since 1986.

Cristiani on Interparty Commission's Suggestions

PA2410171690 San Salvador Radio Cadena YSKL
in Spanish 1200 GMT 24 Oct 90

[Text] President Alfredo Cristiani has stated that he is willing to consider the Interparty Commission's proposals for talks with the rebels. On 23 October, the Interparty Commission presented the President with a document containing several proposals. The proposal includes reforms to the electoral law, as well as suggestions concerning the obstacles stalling the government-FMLN [Farabundo Marti National Liberation Front] talks.

Guatemala

URNG Issues Statement on Current Activity

PA2410233890 Guatemala City PRENSA LIBRE
in Spanish 22 Oct 90 p 2

[Statement issued by the Guatemalan National Revolutionary Unity, URNG, General Command on 15 October; place not given; published as a paid advertisement]

[Text] Three months before the change of government and after five years of expectations and frustrations, the country is experiencing one of its worst and most severe economic crises. There is also a noticeable increase in repression and in human rights' violations.

Some of the main characteristics of the current situation are: instability, a political and power vacuum, lack of goals, lack of programs and institutions, corruption, demagoguery, manipulation, and chaos.

I.

Increases in the already high inflation rate, in the prices of basic goods and merchandise, in public utility rates, and in transportation fares must be added to the devaluation of the currency. This worsens the crisis that affects all Guatemalans, particularly the rural and urban workers. Real wages are constantly dropping, and the nominal wages are insufficient, seriously reducing the people's purchasing power.

To face this situation, the government acts demagogically, with clearly political objectives. For example, it established a minimum wage for the rural areas—a legitimate demand by workers for many years—but the wage is insufficient under the current circumstances.

Some of the causes of the economic disaster and of a dependent and smothered economy are: the existence of unjust and obsolete structures; the high cost of a counterinsurgency; and the defective, mistaken, momentary, and erroneous economic policies applied because of pressures from international financial organizations.

II.

The organized forces and sectors of Guatemalan society have expressed themselves through various means and in accordance with their interests, and the people in general have increased their struggle to remedy the current situation.

The government and the various state security agencies have responded to these expressions of views and demonstrations by intensifying human rights' violations, repression, and terror. According to the statement of UN special envoy Tomuschat, "there is presently a high rate of kidnappings and murders." The U.S. Government recently pointed out to the Cerezo government that "it is not exerting sufficient control over the Armed Forces." There is a climate of insecurity and apprehension, which all the people reject.

In addition to the government's inefficiency in preventing the violation of human rights, its complicity in covering up such violations has become evident, as in the case of Michael Devine.

The government still has the opportunity to begin a serious investigation and to make known the names of those responsible so that they can be arrested, tried, and punished. The various national and international humanitarian organizations have been demanding this.

In addition to the Guatemalan people's suffering, there has also been an increase in the trafficking, consumption, and production of drugs. High-ranking members of the government and the Army participate in this. Our country is now included on the black list of the first 24

countries [involved in drugs] in the world and heads the list of Central American countries.

This despicable and wretched activity worsens social disintegration, directly affects young people and the integrity of the Guatemalan family, and harms the country's image.

As long as the Army, the state security agencies, and high-ranking officials continue to participate in these activities, the apparent fight against drugs will continue to be used to conceal foreign intervention.

III.

The search for peace is a necessity, a political objective, and a desire of all Guatemalans. Dialogue is the means to reach agreements that will entail specific steps; however, for the dialogue to be real it must be accompanied by actions.

Our political will and the peace process opened in March through the agreement of Oslo, Norway, have been ignored and have not halted the repressive and terrorist actions. On the contrary, to neutralize the people's struggle and pressure the URNG, the Army has intensified its counterinsurgency actions in the rural and urban areas, without taking into account the successful results of the meetings in El Escorial, Spain; Ottawa, Canada; and Quito, Ecuador.

It is not true that the Guatemalan Army now needs to increase its troops, budget, and operational capabilities. This would add more obstacles to the peace process and would prolong the war, with terrible consequences for everyone.

The guerrilla units have repelled attacks, inflicting casualties on the Army, and they have staged offensive actions to hit the Army's forces and infrastructure.

The URNG will not stop its struggle until democratic conditions exist so that all political and social forces can defend their legitimate rights. The URNG will struggle until every person in Guatemala can raise his voice against injustice and oppression without being silenced through kidnapping, death, or disappearance.

We have repeatedly said during the Cerezo administration and in the talks held within the framework of the Oslo agreements that we seek democracy, justice, and peace.

The conditions for real democracy and peace will be created so that all political, social, business, and religious forces can express themselves and act against repression and for demilitarization and democratization. In this way, they will help end the constant human rights' violations and the terrible and distressing current situation.

The URNG's military actions are a legitimate response that is consistent with our political position. They are aimed at combating and counteracting the power of those who oppose the political solution to the internal

armed conflict and the national problems and those who oppose the creation of the conditions to permit the Guatemalan people to participate in the solution to the crisis.

The URNG's sabotage actions are aimed at exerting pressure to stop the repression, terror, and human rights' violations carried out by the military and paramilitary forces of the government throughout the country. As long as these actions continue, we will continue our sabotage actions.

IV.

The factions within the Army have polarized to such an extent that the struggle among them is one more destabilizing factor. The country is currently ungovernable. No one controls it, and there is a power vacuum.

The Army's internal crisis has also been caused by the constant attrition of its officers, troops, and resources due to the advance of the guerrilla forces. The changes in its structures are a desperate attempt to control the political situation and to stop our military actions in more than half of the national territory.

The dispute between the faction—whose objective is "national stability"—that supports the failed counterinsurgent "low intensity war," and the faction of the "hard-line" officers who support total war has intensified.

Although there are signs of a third faction that supports a "political solution to the domestic armed conflict," the hard-line faction is trying to find the opportunity to regain power in the Army. Because of this, it keeps threatening to stage a coup d'etat. The struggle for power is the reason for the unexpected dismissals and changes in military chiefs and troop commanders.

V.

The party system and the electoral process are experiencing a crisis. There is a lack of content in the party platforms; no candidate responds to the needs of the various sectors of Guatemalan society; the electoral process has been carried out within a framework of repression, terror, and military campaigns; and coalitions have been formed on the basis of the distribution of minimum shares of power that do not do anything to resolve the country's problems.

Most of Guatemala's registered voters do not believe in the candidates or the elections. The elections will not represent the free expression of the people's will and will not fulfill the objectives of democracy. The most heartfelt demands and objectives of the Guatemalan people will not be present in the elections.

Under these conditions, the elections will not be a solution. Because of manipulation and other mechanisms, they will be fraudulent. President Cerezo has voiced support for the ruling party candidate and has created an atmosphere that will be conducive to fraudulent elections.

No candidate has established a position independent from the Army. On the contrary, all of the candidates are trying to gain its recognition and support. Therefore, there can be no democracy. The elections have become a means to maintain a regime that the people reject and that the international community condemns.

The URNG General command believes it is urgent for the following measures to be taken:

First: A great national consensus must be reached to find a solution to the crisis.

Second: The internal armed conflict must be solved through political measures and institutional and constitutional changes.

Third: The counterinsurgency regime must be replaced by true democracy.

Fourth: Economic and social development and modernization, with justice and well-being for all the people, must be guaranteed.

The elections will not guarantee the expression of the people's will, and because of this, participation in them is not a solution. The electoral results can only be positive if there is a commitment to continue the dialogue and reach a national consensus. That is why the URNG does not support any candidate or participate directly or indirectly in the elections.

15 October 1990

Commander Rolando Moran, Commander Pablo Monsanto, Commander Gaspar Ilom, Companero Carlos Gonzalez

URNG

Candidate Asks for Solidarity in Communique

PA2410231190 Guatemala City LA HORA in Spanish
18 Oct 90 p 4

[Text] The presidential candidate for the Guatemalan Christian Democracy, DCG, Alfonso Cabrera Hidalgo, issued a communique on 18 October asking for the people's solidarity.

The document, which is also signed by vice presidential candidate Marco Antonio Villamar Contreras, was released just a few days after DCG supporters clashed with Union of the National Center, UCN, supporters in Palin over harassment by government party supporters, according to the official report.

The communique states that religious, political, economic, and social freedom for the entire country are needed to emerge from the current crisis that all Guatemalans are living.

The Christian Democratic candidate, who seeks to do well in the polls, also says that in his work program there

are two essential points that will help him to resolve the main problems that currently plague us.

The communique further states that the first point is to "advance the national society's integration, recognizing our psychological complexity, which is also the source of our cultural potential."

The second important point involves "a policy drafted by the government and the economic factors based on our reality and the resources that are necessary to protect the Guatemalan majority and reduce the negative effects of powerful forces within the international economy."

Nicaragua

New Government Dialogue Proposal Criticized

PA2410145990 Managua Radio Sandino in Spanish
1200 GMT 24 Oct 90

[Text] Just when everyone believed that everything was set, a wrench has been flung into the works of the national dialogue. This upset the representatives from the National Workers Front [FNT], who complained because the content of the draft agreement—which was to have been signed today—has been altered. The agreement or social pact is considered the sole alternative for Nicaragua's economic recovery.

The government, which is the promoter and coordinator of the national dialogue, yesterday released a new document that breathes life into decree 11-90, which will return confiscated property to its owners through a review process. Changes were also made in the financial segment of the agreement. These changes might have negative repercussions on the popular sector as well as on businessmen if certain policies are not implemented gradually, as had been provided for earlier. The national dialogue is in its 35th day today.

On the topic of salaries, the plan to withhold 10 percent of each worker's salary is being maintained, but the amounts withheld will be regarded as savings instead of as a tax. The unemployment plan will also be retained. Summing up, the government has made more than 50 modifications to the 18 October document, which was flexible enough to satisfy both businessmen and workers. This new document does not allow such accommodation, and is making it more difficult for the participants in the national dialogue to reach an agreement.

FNT Leader Rejects Government Proposal

PA2410152590 Managua Radio Sandino in Spanish
1215 GMT 24 Oct 90

[Text] FNT [National Workers Front] leader Lucio Jimenez has said that the document presented by the government yesterday hinders reaching an agreement because it creates uncertainty among the people. He said that the document insists on an unemployment plan,

returns to former owners land delivered by the revolution, and raises the cost of staples. According to the FNT, in this new proposal the government omitted the minimum points of consensus that had been reached.

[Begin Jimenez recording] We were very surprised because the government has presented a document that in general retracts the positions that it had already assumed, and which had the concurrence of different sectors. In the first place, the proposal the government presented at 1000 yesterday wants us to endorse Decree 11-90, which raises questions about the people's plots and homes. Obviously this dialogue cannot propose an agreement that raises questions about the people's properties, because the people would not accept it.

We are not talking about only homes, but also enterprises, cooperatives, and others. Yesterday we stressed that an agreement would be viable if it guaranteed a minimum of stability for the family. Right now there is much uncertainty because of the upcoming dismissals advocated by government policies. We stress that an agreement would be feasible only if it ended this uncertainty and allowed a minimum of family stability, mainly job stability. The government proposal, instead of abandoning the topic of dismissals, insists on it. Not only does it insist on dismissals, but also on raising the cost of staples, reducing salaries and imposing a tax on the workers salaries. It also insists on raising the cost of staples. [end recording]

Lacayo Meets National Dialogue Representatives

PA2410153490 Managua Radio Sandino in Spanish
1239 GMT 24 Oct 90

[Text] Presidency Minister Antonio Lacayo—the government's clever man—yesterday discussed with leaders participating in the National Dialogue the problems that still exist. Lacayo met separately with Juan Tijerino of UNAG [National Union of Farmers and Cattlemen] and Ramiro Gurdian [leader of the Higher Council of Private Enterprise], who represented the employers; and afterward with Lucio Jimenez [the National Workers Front Leader] Lucio Jimenez and Jose Espinosa of the CUS [Confederation for Trade Union Unity], who represented the workers.

UNAG leader Juan Tijerino said that Lacayo admitted that the document presented to the government contained the recommendations made by the commissions and that it was a good time to discuss the points that create friction. The FNT informed Lacayo that the government's new proposal is a setback for the 18 October document, and that under these conditions the chances for an agreement have been reduced. Lacayo refused to answer questions from reporters after the meeting.

Former Contras Reportedly Take Over Rio Blanco

PA2510022390 Managua Radio Sandino in Spanish
0008 GMT 24 Oct 90

[Text] Approximately 200 demobilized contras took over the village of Rio Blanco this morning, unofficial sources have reported. The situation could lead to a new bloodbath.

Although the Government Ministry has released no official report on the incident, it is to be added to previous such actions, all of which are intended to make the government of Violeta Barrios de Chamorro make good on its word.

For several months, demobilized contras have demanded that the government provide them with tillable land and materials for them to settle in a dignified manner.

In Quilali, a considerable number of former contras still occupy a Sandinist Front house, which they pledged to vacate in two weeks, during which time they expect the government to designate land for them. It has not yet been reported whether the demobilized contras are holding Rio Blanco at gunpoint or not or if they have simply taken over public buildings like they have on previous occasions.

Labor Federations Reject Mass Dismissals

PA2410235890 Managua BARRICADA in Spanish
23 Oct 90 pp 1, 5

[Text] Various labor federations achieved a broad consensus at the economic and social dialogue on 22 October when they rejected a government initiative that would result in unemployment and a reduction in salaries to reduce the fiscal deficit.

Lucio Jimenez, coordinator of the National Workers' Front (FNT), an organization comprised of five labor federations from the countryside and city and two unions, emphasized that fiscal deficit reduction should not mean increased unemployment.

"We will not accept a salary decrease," Jimenez said, adding that a minimum wage that would cover the cost of a 53-item list of staple products should be discussed.

Jimenez also proposed a 13th month payment based upon 100 percent of the highest salary earned during the year. The other federations also agreed that the 13th month payment is an irrevocable workers' right.

Jose Espinoza, coordinator of the Workers Permanent Congress (CPT), comprised of four labor federations from the city and the countryside, pointed out that on principle "we disagree with the dismissal of workers."

Julio Paladino, a member of the directorate of the independent General Confederation of Labor (CGT), disagreed with mass dismissals, pointing out that such a policy would only increase the already high level of

unemployment, which is currently estimated at 40 percent of the Active Economic Population (PEA).

Augusto Gonzalez, a leader from the autonomous Nicaraguan Workers Federation (CTN), said that he fully agreed with the other labor federations, adding that the size of the state apparatus could be reduced gradually, at the same rate at which productive activities were reactivated, to avoid increased unemployment.

Chester Noguera, representing the Federation of Nicaraguan Cattlemen's Associations (Faganic), warned of the legal demands made by labor federations opposed to unemployment, adding that toward this effect, guaranteeing social peace is solely the government's responsibility.

A second broad consensus was established between management and workers when they all agreed that the gold cordoba should begin to circulate as soon as possible, and that the monetary policy of continuous and damaging weekly devaluations enforced by Central Bank President Francisco Mayorga should be eliminated.

The producers in Faganic and the National Union of Farmers and Cattlemen (UNAG), demanded payment for their products entirely in gold cordobas. The cotton producers made the same demand.

The labor federations also demanded complete payment of salaries in gold cordobas.

The six basic points agreed upon by the FNT and government are: the unique nature of the national economy; gradual reduction of the fiscal deficit; a priority budget for health and education; circulation of a single currency, the gold cordoba; financing for production; and privatization that favors the workers.

Fredy Cruz from the FNT proposed that the board of directors prepare an advance consensus document based upon the agreements reached, leaving major differences on the agenda for a future phase of the dialogue.

Cruz' proposal, as he explains it, seeks specific results as soon as possible.

The FNT's motion was supported by Ramiro Gurdian, representing the Higher Council of Private Enterprise (Cosep). The government will prepare a draft of the document, which will be submitted at the plenum at 1400 on 23 October at the Olof Palme Conventions Center, where the dialogue is taking place.

Cosep Demands Privatization, Justice

PA2410230090 Managua Radio Sandino in Spanish
1200 GMT 23 Oct 90

[Text] The Cosep [Higher Council of Private Enterprise] said that it will not sign the national dialogue agreements if there is no privatization. The Cosep identifies justice in Nicaragua with the return of confiscated properties and the privatization of workers' properties. [Cosep Vice President] Ramiro Gurdian said that Cosep will not sign

the national dialogue agreements if the government does not proceed with privatization and if it does not implement Decree 11-90.

[Begin recording] [Gurdian] We have been quite clear. We demand cases in which properties were sold by the Sandinist Government to Sandinist officials to be investigated. That is what Laws 85 and 86 are all about; and we demand an investigation. We want to make sure that Decree 11-90 is implemented and that the properties are returned to their rightful owners. We demand justice and that is what will be discussed.

What we will do.... [changes thought] Reviewing what we have worked on, we notice that we have solved many problems, and we will eventually concentrate on basic issues like privatization, the return of enterprises, and Laws 85 and 86.

[Reporter] We heard that you will not sign the national dialogue agreements if those demands are not met. Is that true?

[Gurdian] I can guarantee that it will not be signed.

[Reporter] What will happen in the country if it is not signed?

[Gurdian] We will see what happens, but the private sector definitely cannot sign anything if there is no justice. We believe that justice means enforcing Decree 11-90; justice means looking into the Sandinist masquerade. Otherwise, I can assure you, nothing will be signed. [end recording]

Police Chief Blames Violence on Political Tension

*PA2410194190 Managua Radio Sandino in Spanish
1200 GMT 24 Oct 90*

[Text] Rene Vivas, chief of the National Police, said yesterday in a press conference that at least 12 people have died because of the political tension in the country. He said that political violence has resulted in land seizures and attacks by demobilized contras in Las Sabanas, Waslala, and San Ramon. Vivas said that the destruction of the Radio Corporacion and La Pimerisima transmitters are also part of this violence.

He added that so far police have only two composite pictures of the men who burned the La Primersima transmitters. It is difficult to find the guilty parties because they are being protected by their followers.

He said that a government commission will go to Puerto Cabezas today to help maintain peace in the area.

Panama

Arias Calderon Comments on Coup Planning

*PA2510040690 Panama City Telemetro Television
in Spanish 1730 GMT 23 Oct 90*

[Interview with Ricardo Arias Calderon, first vice president and government and justice minister, by Lucy Molinar on "Today's Interview" segment in Telemetro Studio 12 in Panama City—live]

[Text] [Molinar] The people have recently been disturbed by a series of events that could be called coup attempts, destabilization attempts, or something else. No matter what you call these events, their goal was to destroy something for which the Panamanians have struggled so much: a democratic system. We felt it was our responsibility to invite someone who could give us the correct version of what is happening in the country. Hence, we invited Ricardo Arias Calderon, government and justice minister and first vice president of the republic. Good afternoon, Mr. Arias. As first vice president of the Republic, what do you think about the country's situation right now?

[Arias] In my opinion, the fact that the coup d'etat could not be carried out is as important as the news about such a plan. It could not be carried out because an internal investigation of the National Police, which had been underway for at least two months, gave us the first clues about members of the National Police—a small group—who might be involved in the detonation of bombs in Chiriqui and maybe even in Panama City.

The investigation was followed up with the authorization of the president of the Republic and the attorney general. It proved successful because we were able to locate the culprits in Chiriqui. We were also able to deliver the necessary evidence to the Public Prosecutor's Office so that the judicial investigation could be carried out. That is why the plans for something else remained as plans and did not become a reality.

[Molinar] Nevertheless, Mr. Minister, when the report was carried by Channel 13, there were efforts to hush up and minimize the significance of the situation. It was said that it was not a coup, that it involved isolated actions, and that there was no need for such a scandal.

[Arias] I think it is important to clearly distinguish between actions and plans. For instance, approximately two months ago, bombs were planted in Chiriqui and Panama Provinces. Five persons have been arrested for those actions and are the subject of judicial investigation. These persons have started talking and have said that, in addition to those actions, there were plans to carry out a coup d'etat, but it could not be carried out.

[Molinar] Why are these five persons in the custody of the U.S. Forces?

[Arias] They are not in the U.S. Forces' custody. The five persons are the responsibility of public prosecutor and are in the hands of the Technical Judicial Police [PTJ], which is where they should be, according to our laws.

[Molinar] On an island surrounded by the North Americans.

[Arias] On no island surrounded by the North Americans. They are strictly and exclusively the Panamanian authorities' responsibility.

[Molinar] Mr. Minister, this has caused a commotion because the country is facing a somewhat difficult situation. There are problems and the country is expecting solutions. Like we said before, the people have not been given the answers they want. There is no definite policy that leads the country toward the goal that all the Panamanians want—the strengthening of our democracy.

[Arias] Let us talk about the other topic because we discussed this one, Lucy. I am referring to the plans because there are now reports—thanks to the investigations carried out by the National Police and then by the Public Prosecutor's Office—that the planning phase, not the actions, involved not only a small group of National Police members, but also leaders of social groups that emerged under the dictatorship.

[Molinar] And that are linked to the current government, according to what [PTJ Director Leslie] Loaiza said.

[Arias] I was going to add that. It also involves one or two figures linked to—or have been linked to—the current government. I think it is very important to note that the Public Prosecutor's Office has been firm in dealing with these persons who have allegedly been plotting a coup d'etat. Let it investigate whoever must be investigated—whether he wears a uniform or is a civilian—and send a clear message: In Panama's democracy, whoever discusses the possibility—in a clandestine meeting, in conversation with others, or in making plans with others—of a coup d'etat, that person—no matter who he or she is—will be severely punished according to the law. This is the only way to handle this. This case must be used to set an example because this is the only way we can guarantee the achievement of what we all want: A constitutional democracy and strict abidance by the law.

[Molinar] Along the same lines, Mr. Loaiza yesterday stated that he was afraid of the likely ramifications of this case. According to him, the government could be toppled if this case is completely investigated.

[Arias] There is no danger of that. The constitutional government is firmly established with President Guillermo Endara. The government has a national police force, which, as an institution, has clearly proven its loyalty to the legal regime. The great majority of members of the police force have rejected everything that could bring back memories of a dictatorship and instead look to the future with great hope for democracy.

[Molinar] There is apparently some mistrust within the government. The president has designated Toty Bares to watch over the five detained men who were formerly held by the PTJ [Technical Judicial Police]. Bares is security chief for the Presidency. Maybe the president lacks trust?

[Arias] The five men are being investigated by the PTJ under orders of the prosecutor. All of the public security sectors have met. Seldom has there been such complete coordination. Bares has the right to participate in talks with the public security services because he heads one of them, the Institutional Protection Service, which is responsible to the Presidency. I believe that his presence helps our effort and he is no less important than the other participants.

[Molinar] Along the same lines, everyone looks to the future a little apprehensively because the government adopts measures, then revokes them. It is as if we are not walking on firm ground. This is destabilizing. It is the image that the government is projecting. In addition, the Chiriqui prosecutor has just said that there are groups that will probably attempt to destabilize this government even further.

[Arias] No, Lucy. What we are dealing with is a report that must be confirmed. Let us not confuse reports subject to confirmation and investigation with rock bottom facts. You are virtually....

[Molinar, interrupting] Will we have to risk letting things happen before taking measures?

[Arias] We are aware, as we have been for two months, of people who had been acting improperly. Within this framework, however, we must keep several things very clear. Reports are looked into and confirmed. They are not accepted as realities from the beginning.

[Molinar] All right, let us talk about one confirmation. It was reported, I mean I learned from various media, that members of M-20 assaulted passengers on a bus and hijacked the vehicle.

[Arias] No. Something quite different was reported, Lucy. It was reported that five individuals perpetrated a robbery and painted M-20 on the sides of the bus they had just hijacked. Does this mean that those five individuals belong to a group calling itself M-20? That is the question.

[Molinar] This is the same kind of conjecture we could have made when the five bombs exploded. Thank God, there were no fatalities. We cannot afford not to pay attention to these things.

[Arias] We have to make something very clear. Every report and every action must be fully investigated. However, not every action or report can be taken for its apparent value.

[Molinar] Let us go a step further then. Let us discuss what all this is about. It was said that the workers' march

is part of a plan. Whether it is part of a plan or not, the march has justification and expresses the people's discontent with the government.

[Arias] I think it reflects several things. First it reflects something that is common to every democratization process. Because the people have longed for democracy, they feel that once it arrives, all problems are solved by magic. [Molinar] That is not true, and pardon me for interrupting you. That is not true. Was the government not demagogic in promising many things? Now we see that it has kept very few of its promises.

[Arias] I do not think that it is often that you have a political campaign that makes such specific promises. The first thing it promised, what it promised above all else, was democracy. We are living a democracy.

[Molinar] A democracy. We wanted the officials of the previous government brought to trial. We wanted economic growth. It was also said that a lot of aid would come. It was said that the country would move ahead, in an almost romantic way, looking back on it.

[Arias] If you had read carefully the agenda for reconstruction presented by the Civic Democratic Opposition Alliance, you would have seen that one of the major paragraphs stated that the chief factor in reconciliation was going to be our own work, and that international aid would be a supplement to our work. Moreover, foreign aid does not just depend on us. It depends on the donors. We have done everything within our power, it is now up to the donors.

[Molinar] Still, Mr. vice president, I insist that there was a little demagoguery in all of this. There was talk of many solutions and moving the country ahead. In fact, we do not see the solutions. El Chorrillo area residents are still demanding homes. Many people are unhappy about what has been done. Also, we can see that many promises have not been kept. The government has committed many sins of omission. It has not talked truthfully. First, it said that the U.S. Government had not placed any conditions on aid, and later it turned out that it did. The handling of many things has not been very clear.

[Arias] You are listing a series of complaints taken from the news media. Let us examine the other side of the coin.

[Molinar] Let us see.

[Arias] We promised we would have an Executive Branch that would respond to the will of the people, and we have that.

[Molinar] It responds to....

[Arias, interrupting] Let me talk, Lucy. I will let you register your complaint. We promised we would have an Assembly that would respond to the will of the people, and we have that. We promised an independent Judicial Branch, and we have that, with the most outstanding Supreme Court in our history. We promised full freedom

of expression, and we have that. We promised no one would be arbitrarily jailed on the president's orders, and no one has been. All those now in jail are there on the orders of the Attorney General's Office or the courts.

We promised we would re-establish a budget and rational state spending, and we have a balanced budget. I am not through, Lucy. We promised we would lift all the restrictions on the banking system, and we have. The system has swung back with an increase of almost \$2 billion in deposits. We promise the start of a economic reactivation, and based on INDESA [expansion unknown], the most respected, independent economic company in the country, the current annual growth rate is between six and seven percent.

We promised we would begin to solve the Chorrillo problem. I just saw figures proposed by the Housing Ministry, where approximately 50 percent of the area residents have found places to live. Through new organized settlements, we are providing houses to some sectors of society that did not have them.

[Molinar] Let us see the flipside.

[Arias] We have kept a good many of our promises, Lucy.

[Molinar] Let us see the flipside. Let us see what was promised. You promised an efficient president. Has he been efficient? Let us look at the National Assembly. We are still living under the laws of the previous regime.

[Arias] Which laws, Lucy? Name one.

[Molinar] The war laws.

[Arias] The only one still in effect....

[Molinar, interrupting] The news media law.

[Arias] Wait a moment. Basically, it canceled or suspended payment of the 13th month bonus. The reason for that is very simple; we do not have the money to pay it. I do not think the country wants the government to be so irresponsible as to promise what it cannot give.

[Molinar] You can still enact laws to help the people—something we have yet to see.

[Arias] Let us discuss them one by one, because I will not let one of them go by, Lucy.

[Molinar] You are free to do that. [laughs]

[Arias] The news media law. While a news media law is being drafted, through consultations with different groups that want a new law, cancellation of the current law would mean we would not even be entitled to demand that the news media be in the hands of Panamanians. We simply cannot cancel all the laws to begin from scratch; meanwhile, the National Assembly has had to deal with major tasks. It has debated two budgets in the same year, with all the work that that entails.

[Molinar] A specific commission is involved in that work.

[Arias] That work also entails discussion by the full assembly. That is why I think you are going overboard.

[Molinar] No, because we are seeing that not too many measures to help the people have been adopted. Let us talk of justice.

[Arias] We have not adopted those measures, but we did absorb the cost of fuel. Is that not a popular measure?

[Molinar] That is a measure adopted because of the pressure of the people, and we all welcomed it.

[Arias] Then I am glad that measure was adopted.

[Molinar] Excuse me, but the National Assembly has done little. Let us talk of justice. You mentioned the Executive and Legislative Branches. Now, let us talk about the Judicial Branch. How many people have been called to trial?

[Arias] Our responsibility, as the Executive Branch, was to put the Judicial Branch to work. It was put to work, and, henceforth, you cannot ask the Executive Branch to meddle in the Judicial Branch. If you want to talk to those responsible....

[Molinar, interrupting] You mentioned that branch as one of the examples where something was done.

[Arias] I talked of something that is very specific. I told you we promised to have an independent Judicial Branch, and that is what we have put to work.

[Molinar] From what you are saying, I can surmise your duty was to put it to work. What is next?

[Arias] In the field of justice, that is how it works. You asked me that question, perhaps because of a linguistics error. I am the minister of government and justice, and people think I am responsible for justice, and I am not.

[Molinar] I am asking that question because you mentioned justice as one of the areas where something has been done.

[Arias] I mentioned something that is very specific, and you insist on neglecting it.

[Molinar] You talked of the Legislative, Executive, and Judicial Branches.

[Arias] I talked of the independence of the Judicial Branch. We have an independent Judicial Branch.

[Molinar] That is no guarantee that it will be efficient.

[Arias] That is the responsibility of the Supreme Court and the Attorney General's Office. That no longer is the responsibility of the Executive Branch. Panamanians must get used to the logic of the democratic system. Let us not ask the Executive Branch to respond for the Judicial Branch. Let us ask that of the Judicial Branch.

[Molinar] What is the role of the Executive Branch, which supposedly is above the others?

[Arias] It is not to administer justice.

[Molinar] It must, however, oversee the interests of the people.

[Arias] The Executive Branch does not oversee the Judicial Branch, Lucy. It is not up to the Executive Branch.

[Molinar] If the time comes when justice in the country does not work, who will take steps to make it work?

[Arias] If there was legal responsibility for that, the assembly would be responsible for trying the Supreme Court; but I do not think that this is the case. I believe you are talking about the slowness of the legal process.

[Molinar] Yes, I am bringing it up because you had told me that it was one of the achievements of the current government....

[Arias, interrupting] I told you about the independence of the Judicial Branch. Creating an independent Judicial Branch is one of the achievements of the current government....

[Molinar, interrupting] Not its success.

[Arias] Its success will depend on many things. It will depend on the procedures that will or will not be followed, and on the number of cases with which it will have to deal. The Attorney General's Office has announced that it has 17,000 new cases.

[Molinar] There must be a hierarchy among those cases.

[Arias] That is a decision to be made by the Attorney General's Office and the Supreme Court.

[Molinar] Perfect. Now let us talk about the future. The country waits, has waited for several months, and continues to wait for concrete action, not just measures that are later revoked, and not proposals or commissions—many commissions have been appointed. What are you going to give them that responds to what the people need in Panama?

[Arias] Lucy, I would like us to reflect on the state of the government when we took office and where we are now. I will describe it to you physically.

The first day I entered the Justice Ministry, there were no typewriters, all the doors were broken, and all the windows had been destroyed. In 10 months we have gotten the Panamanian state to work democratically....

[Molinar, interrupting] Mr. Vice President, remember we were looking into the future.

[Arias] From the initial stage, we have been developing four general areas of government policy. The area of institutional democratization, in which there has been great advances; the area of getting a new model of public

security to work, changing from a military structure to a genuine police structure; the area of....

[Molinar, interrupting] Excuse me for interrupting, but, speaking of that, will the purging process of the Public Force continue in light of the recent incidents, or do you already know that there are no more people who will try things like what was tried last week?

[Arias] Anyone who is investigated and is found responsible for activities such as those that took place last week will be discharged as soon as justice establishes his guilt. That applies to any civilian or uniformed person. That process never ends in a democratic system.

[Molinar] It seems that this incident will give us many surprises according to the people who are investigating it.

[Arias] It may give us surprises, but it is important that the investigation be complete and that it be carried out without leniency, and that anyone who is linked to a coup attempt, even if it is just in the planning stage—anyone—must be punished with the full weight of the law.

[Molinar] Minister Arias, let us continue to talk about these topics and many others that puzzle the citizens. I hereby commit you so that we may converse on another occasion about what the citizens expect of the current government, because we believe it is very important. Many things await us, and we all have challenges ahead of us because it is our responsibility, not just your's.

We thank you for coming and you are committed for another occasion.

[Arias] It will be my pleasure.

[Molinar] Thank you very much.

Urges Investigation

PA2410173090 Panama City LA PRENSA in Spanish
24 Oct 90 p 1A

[Report by Elkilia Santos]

[Text] Government Minister Ricardo Arias Calderon has confirmed to LA PRENSA that there are reports that "individuals linked to the government" participated in the destabilization attempt reported by the authorities last week. He urged the attorney general not to be lenient towards those who took part in the plot.

He did not, however, disclose the identity of the plotters. According to him, the case is the responsibility of the Attorney General, and "if the proper authorities do not disclose the names, I cannot do so either."

Arias Calderon noted that the subversive movement failed because two months ago, an internal investigation conducted by the National Police revealed the first clues that members of that institution "were probably involved in the bomb attacks in Chiriqui" and possibly in Panama.

The investigation, which continued with the authorization of the president and the attorney general, ended successfully. Because of the investigation, it was possible to detect the culprits and the "plans remained as plans and did not become reality."

Arias Calderon said that the Attorney General's Office has been given enough information to continue with the legal process.

Arias Calderon said that there is a difference between planting bombs and participating in plans that could lead to a coup d'etat. He said that five people were arrested in connection with the bomb attacks that occurred two months ago. He added, however, that "the plans not only involved a small group of National Police members, but may also have involved leaders of social groups that emerged under the past dictatorship and even a few leaders who have links with the current government."

Arias Calderon added that the Attorney General's Office should, therefore, "thoroughly investigate anyone who must be investigated, military or civilian. This case should be used as an example to show that in democratic Panama, anyone who plans or cooperates with others in planning a coup d'etat will be severely punished according to the law."

Arias Calderon said that "this is the first attempt to destabilize the government. Those involved, therefore, must be duly punished according to the law to set an example."

Regarding the legal status of former Public Force Chief Eduardo Herrera, who has been linked to the plot by the arrested policemen, Arias Calderon said that he understands that Herrera will be summoned by the Attorney General's Office and that he should return to the country to clarify his situation.

As for the five people arrested in connection with the bomb attacks, Arias Calderon said that they are the responsibility of the Attorney General's Office, and they are in the custody of all state security agencies.

Arias Calderon said that there is no possibility that the government could "fall," because it is firmly established. He added that it has the support of the "National Police, an institution that during the past few days has shown its loyalty to the legal government. The majority of its members pay no attention to those who long for the dictatorship and now look forward to democracy."

Regarding the various reports that have been circulating on the subject, Arias Calderon warned that some details are still under investigation; therefore, they should not be regarded as facts until they are duly confirmed.

Former Police Chief Faces Charges on Return

24 Oct Arrival Announced

PA2410131390 Panama City Radio KW Continente
in Spanish 1237 GMT 24 Oct 90

[Text] It has been announced that retired Colonel Eduardo Herrera [former National Police director] will be arriving in Panama from Lima, Peru. He has been accused of being involved in a coup attempt. Col. Herrera will probably be arrested immediately on arrival. As the result, it has been unofficially learned that Col. Herrera will hire Rodrigo Miranda Morales as one of his lawyers. Miranda Morales will be waiting for him at Tocumen International Airport at 1300. We repeat, Eduardo Herrera is expected to arrive at Tocumen airport at 1300. The media are invited because there is a good possibility that he will hold a news conference.

Airport News Conference

PA2410191390 Panama City Cadena Exitosa
in Spanish 1840 GMT 24 Oct 90

[Text] We have a last-minute report. A few minutes ago, Colonel Eduardo Herrera Hassan arrived in Panama. He just arrived and was met by a large number of foreign and domestic journalists. Col. Herrera Hassan is now giving a news conference at the Riande Airport Hotel. Here are his first statements on arrival. He was totally surrounded by journalists and he made a short and clear statement:

[Begin recording] [Reporters] [Questions indistinct]?

[Herrera] I have come to clear things up. This is how it should be. I believe justice in Panama must be clear-cut.

[Reporters] [Questions indistinct]? [end recording]

Herrera Answers Reporters

PA2410213990 Panama City Telemetro Television
in Spanish 1929 GMT 24 Oct 90

[Text] Good afternoon. We interrupt this program to bring you a last-minute report on the arrival of retired Colonel Eduardo Herrera to Tocumen International Airport. Our reporters were at the airport, filming the arrival of Col. Eduardo Herrera. The PTJ [Judicial Technical Police] was expecting him to take him to PTJ offices where he will be interrogated about his reported participation in what has been described as an attempt to destabilize the country or an attempted coup d'etat.

Our cameramen filmed these scenes this afternoon at the Tocumen International Airport, where the authorities and reporters were waiting for Col. Herrera who was arriving from Lima, Peru.

As you can see, the security forces were present at the Tocumen International Airport. A large crowd was at the airport, and you now see how the reporters tried to ask him questions. [indistinct questions by crowd of

reporters, all speaking at the same time; no answers by Herrera are heard; video shows the crowd pushing Herrera who enters a vehicle]

That was the arrival of retired Col. Herrera, who is reportedly linked to the recent attempted coup d'etat in Panama. The retired colonel is now about to board a vehicle that will take him to the downtown area of Panama City. Then we will be showing you the video of when retired Col. Eduardo Herrera arrived at the PTJ. [Video now shows Herrera and his lawyer, Rafael Rodriguez, stepping outside the vehicle in front of the PTJ office]

[Begin recording] [Reporter] Will you grant us a news conference? [Words indistinct].

[Rodriguez] I am going to hold a news conference, but let's take it easy.

[Reporter] Col. Eduardo Herrera: Do you have any statements for us?

[Herrera] I have been summoned here at the PTJ to clarify things. I believe the charges made against me are unfounded. Therefore, I have arrived in my country as any citizen would.

[Reporter] Macias, Valdonado, and Quesada were reportedly involved in this plan. Do you think this is so?

[Herrera] No, I do not really think so.

[Reporter] Colonel, what will you do now?

[Herrera] I am a civilian who is looking for a job in order to support my family.

[Reporter] What is the basis then for these charges?

[Herrera] I do not know. I am going to speak to the Attorney General to find out.

[Reporter] Is your brother involved?

[Herrera] I do not know. I am going to find out what the PTJ has to say here.

[Reporter] [Question indistinct]?

[Herrera] I know nothing about Quesada and Valdonado. They are officers who have adopted an attitude that is contrary to the attitudes of many members of the Public Force. I think that, more than anything else, that is the result of the years—I mean months—that they were under arrest and were treated badly. Perhaps that is why they are behaving this way.

[Reporter] Col. Quesada [as heard]: There have been reports that some guerrilla camps in Chiriqui Province are linked to the coup groups. Are you aware of the existence of these guerrilla camps?

[Herrera] I have no knowledge of any guerrilla camps.

[Reporter] Colonel, are you under arrest, or are you under the orders of...?

[Herrera, interrupting] No. My lawyer will speak now.

[Rodriguez] We have a note that states that he should be brought in. He was not summoned. The judicial code procedures specify that he should be summoned twice and if the second summons is disobeyed, he should be brought in. He has not been arrested either, so it is a measure invented by the prosecutor general of the Republic as many other things are invented in this country.

[Reporter] Then why does he have to come here to the PTJ?

[Rodriguez] I am curious about that myself. He should have gone to the Attorney General's Office, but it seems that the Noriega regime's schemes still prevail. It seems that this is the way to do things.

[Reporter] Do you mean that the attorney general invented this coup to go against Col. Herrera's interests?

[Rodriguez] The colonel [as heard] invented the measures by means of which he was brought here because that is not stated in the judicial code. The judicial code says that he should be brought in only if he does not heed the summons.

[Reporter] You mean the attorney general.

[Rodriguez] Ah, yes, the attorney general. The judicial code clearly establishes the procedures, and this has been a case in which the procedures were not followed. We disagree with this and we will defend him from the accusations that are being concocted here, and from the pressure that is being exerted here.

[Reporter] Why was Col. Herrera implicated in this coup plot?

[Rodriguez] I do not know.

[Herrera, interrupting] I will tell you what is really taking place. Like I said before, there is a general discontent among the people and the authorities are trying to distract the people with something that is completely senseless. The country still has U.S. forces here and it would be illogical and unusual to carry out a military coup in Panama. I am a civilian and, as Doctor Arnulfo Arias said, the policeman who has been removed from his post cannot issue a ticket.

[Reporter] Why have they named only you and three Public Force members? Why have no civilian names been given?

[Herrera] Because they really have none!

[Reporter] Why is there so much security around you? Why are there so many M-16's. Why is there so much security and such a show of force?

[Herrera] The M-16's are here because the boys know that they have to protect me. [end recording]

Hotel News Conference

PA2510004790 Panama City Radio Cadena Exitosa
in Spanish 2024 GMT 24 Oct 90

[News conference by Colonel Eduardo Herrera, former Public Force director, with local and foreign reporters at the Riande Hotel in Panama City on 24 October—recorded]

[Text] [Herrera] First of all, I want to thank the local and international reporters for their patience at the airport. I arrived in Panama from a business trip in Peru, as President Endara knows. To my surprise, it was reported in Lima and Panama City newspapers that I had been linked to an alleged coup attempt. I want to tell you all that I am a military man and that, had the coup been a military one, I would have been at the lead, not two or three hours away in flight time. I said before that military coups are outmoded. The government must realize, however, that the people are tired of so many promises and everything. On many occasions, I have asked the people to be patient, but sometimes patience runs out. As I said before, the government has mistaken the people's unrest for a military coup. The Panamanian military, which heeded the patriotic call of Majors Guizado and Dutari on 20 December, I mean 23 December, thought that we would truly have a reconstruction government, but they are also disappointed. But what can they do? Sadly, there is a U.S. military presence here. In other words, a military coup could never have come from this direction.

I did warn repeatedly about the need to pay attention to the many problems plaguing the government, to hunger, and to unemployment. The government has been ruling for 10 months and still there are no answers. All of these things are a result of the situation in which we live.

[Reporter] Col. Herrera, a few days ago it was said that the United States supported the movement because you were linked to the CIA. What can you say about this?

[Herrera] That is not true. My relations with the United States are the result of the 12 years I was in exile: 10 of golden exile and two of forced exile. Four years I worked in the United States as a military attache while attending a military academy. During that time, I met many people. This makes it easier for me to establish certain contacts with acquaintances and friends. This is normal in diplomatic circles.

[Reporter] Col. Herrera, the president of the Republic said a few days ago that you had been trying to create a division between him and Vice President Ricardo Arias Calderon.

[Herrera] I think the president is wrong. As Public Force chief at the time, I received much intelligence that I had the duty to report to him out of loyalty. If the president

thinks that reports collected by those in intelligence should have been passed over to him so he could take care of them, that poses a different problem.

[Reporter] [Words indistinct] charges leveled at you by those involved?

[Herrera] I think the accusations are totally groundless. According to intelligence reports, there are nearly 29 groups that oppose the government, but they are not subversive groups. This has been confirmed by U.S. agencies themselves. So there are any number of people who could be doing something here.

[Reporter] Did you know about the planned coup, Col. Herrera?

[Herrera] There has been no plan. Certain people are trying to divert attention from the things that are happening by saying senseless things.

[Reporter] Col. Herrera, the people are hearing rumors. Is it true that the president declared you retired because of your participation in the explosions in Chiriqui?

[Herrera] No, that is not true. I talked with the president, who was very kind. I went to Peru because of my talks with him. I asked him to give me permission to organize a security agency, for which I had to make contacts in Peru. He and Bares, the security chief, know that this is why I flew to Peru.

[Reporter] Colonel Quesada and Colonel Valdonado are mentioned as the leaders of the (?movement) that is being investigated?

[Herrera] To tell you the truth, I do not know. Throughout my career, I never participated in G-2 investigations. Quesada was in charge of those. I devoted myself to organizing and reconciling the Armed Forces, where there were serious internal problems.

[Reporter] Colonel, do you know if Quesada and Valdonado are in charge of a separate organization?

[Herrera] No, I do not know.

[Reporter] Col. Herrera, while you headed the Public Force, did you know [words indistinct] that arms were being transferred from Costa Rica to Panama? What did you know about this?

[Herrera] We did have reports that these arms were being transferred, not only by subversive groups, but also under the instructions of political parties.

[Reporter] What do you think about the way the Public Force is being managed?

[Herrera] I think it is wrong. I can now express my opinion as a civilian. Armed forces are necessary in every country. Panama requires an identity. Although the United States is our friend, I think no Panamanian likes Americans to request our I.D.'s or any identification or to give us a ticket. A public opinion poll was

conducted in Panama, and I think that 70 percent of the public supported the Public Force; I think that is too little. However, this poll was not given much prominence. I think it was conducted by Gallup.

[Reporter] [Words indistinct].

[Herrera] I beg your pardon?

[Reporter] Which political parties were those?

[Herrera] I think all of them had been transferring arms, according to the reports.

[Reporter] Why did Captain Ivan Moreno say you and your brother were involved in this terrorist activity?

[Herrera] I do not think Captain Moreno could get anyone involved in this because the charges are not true.

[Reporter] Do you know Moreno?

[Herrera] Ivan Moreno is a subordinate whom I appreciate very much. I do not think he said any such thing.

[Reporter] This means he is being pressured into getting you involved.

[Herrera] My attorney...[does not complete sentence]

[Unidentified speaker] He told me that.

[Herrera] Moreno told him that he was being pressured. I want to publicly state here that although there have been many complaints about the tactics Noriega liked to use, right now the same tactics are being implemented. There is this young man, Porfirio Caballero, who is being accused of planting bombs when the truth is that he has not been doing it. A G-2, now it is called D-2 [Public Force Intelligence] officer told Porfirio Caballero that if he were to personally accuse me, he would be released immediately.

[Reporter] Why do you think the government wants to get you involved in this attempted coup d'etat?

[Herrera] I think the government has problems. The tactic of taking attention away from one problem by creating another one is an old one.

[Reporter] But why were you, specifically, picked? You have been involved in the coup attempt.

[Herrera] I suppose it is because they know how much the troops and the many friends I have like me.

[Reporter] Is there any friction between you and Arias Calderon?

[Herrera] No, and I do not wish there to be.

[Reporter] Do you think coup attempts here would fail if they do not have the approval of the United States?

[Herrera] Of course. The government expects the support of the United States. If the United States were to withdraw its support, the government would fall.

According to information I received in Lima on 16 October, the day I left Panama, there was a big demonstration in Panama and I understand there will be another one today.

[Reporter] Are you afraid of being arrested?

[Herrera] I am not afraid of being arrested.

[Reporter] Have you allied yourself with labor leaders? You have been accused of being an ally of Isaac Rodriguez and others.

[Herrera] Rodriguez and I have a special link. In exile we fought against the Noriega regime. Dr. Young Adames, Mayin Correa, Alberto Conte, and others were also in exile. We fought together in one way or another, and all this has united us.

[Reporter] Dr. Ricardo Arias Calderon said yesterday that there are members of this government—or people who are very close to the government—who could be members of subversive groups. As a former member of one of the country's security organizations, what do you think about that?

[Herrera] I do not know about that. I think they are imagining things. They are nervous. I do not know.

[Reporter] Dr. Carlos Young Adames has been mentioned as being involved in the subversive moment.

[Herrera] I do not think so. Dr. Young Adames is a wonderful person. He lived in exile, like me. He has always supported President Endara. I do not know why anyone would want to get him involved in this.

[Reporter] Do you think there are suitable conditions for a coup in Panama?

[Herrera] There are no conditions for a military coup but, as I cautioned when I was in the Armed Forces, when a nation wants to get rid of incompetent rulers, it will do so. This is what could happen here.

[Reporter] Do you plan to get involved in politics?

[Herrera] I want to dedicate myself to my family. I have no political aspirations.

[Reporter] The bombs were planted in Chiriqui Province while you were director of the Public Force. Do you think that the persons who are under arrest are responsible for that?

[Herrera] I do not believe so. I have sensitive information that there was foreign financing for what happened in Chiriqui. I think I told this to Captain Loaiza. The financing, apparently, came from abroad.

[Reporter] From where?

[Herrera] From Mexico, I was told. The thing is that I did not pay much attention to this matter. I had other problems.

[Reporter] What problems did you have?

[Herrera] I had to resolve the internal problems of the Public Force.

[Reporter] What about your charge that the government uses the tactics of the Norieguists?

[Herrera] I will be honest. Look at what happens when one leaves the country. On the one occasion that I was out of the country, I was forced to retire. Look at what has happened now that I went to Peru. It looks to me like the tactics of Noriega are being used. Apparently the government likes them.

[Reporter] Do you think there are political sectors within the democratic alliance that want to get rid of President Endara?

[Herrera] I do not think so. President Endara is liked by everybody. He is lucky that way. I do not think anyone wants to hurt him.

[Reporter] [Question indistinct]?

[Herrera] For security reasons, I think. Remember that there is no longer any Armed Forces in Panama. Now we have an unarmed police department.

[Reporter] Why do you think that the state's security forces were ordered back to their barracks on 11 October?

[Herrera] I do not know. I did not know this had happened.

[Reporter] How long were you in Lima?

[Herrera] I was there almost one week on a business trip, and now I am back.

Police Official on Detention

PA2510014690 Panama City Circuito RPC
Television in Spanish 2327 GMT 25 Oct 90

[Text] Former Colonel Eduardo Herrera must undergo a 24-hour investigation, which does not permit him to leave the headquarters of the Technical Judicial Police [PTJ], because he faces charges of conspiring against the government of President Guillermo Endara, according to PTJ Director Leslie Loaiza.

[Begin recording] [Loaiza] He has not been interrogated, but he has talked with his lawyer, his wife, General Attorney Rogelio Cruz, and myself. We talked about his reasons for his actions.

[Reporter] What is his current status?

[Loaiza] He is being held for 24 hours for questioning, by the authority of the PTJ.

[Reporter] Is this a veiled arrest?

[Loaiza] As of now, there is no formal order for his arrest, but the law allows me and the PTJ to conduct a

24-hour investigation. I will talk with him in the presence of his lawyer, concerning some matters connected to the investigation. After the 24 hours are up, the alternatives available to me are to send him home or remand him to the appropriate authority, which in this case is the General Attorney's Office.

[Reporter] Does this mean he will not leave within the next 24 hours?

[Loaiza] It means that I have decided that he will stay here until I am through talking to him.

[Reporter] At what time did the interrogation begin? Has it begun yet?

[Loaiza] There is no formal interrogation. The law does not allow me to question him. I am having a police officer talk with him.

[Reporter] Why is he being held for so long if there are no charges against him?

[Loaiza] The law allows me, as an official of an investigative police organization, to see and talk with him for a 24-hour period.

[Loaiza] What are the justifications for holding him for 24 hours?

[Loaiza] I just mentioned them to you. The law allows me....

[Reporter, interrupting] [Question indistinct]?

[Loaiza] We have a series of clues that are subject to investigation by the PTJ.

[Reporter] His lawyer says this action is illegal, and that the general attorney invented this procedure.

[Loaiza does not respond]

[Reporter] Col. Herrera's relatives say two officers, Fernando Quesada and Aristides Valdonedo, have implicated him. Will they be called?

[Loaiza] That is not what the file says at this point.

[Reporter] What are the accusations?

[Loaiza does not respond]

[Reporter] What is the PTJ stance?

[Loaiza] Pardon me.

[Reporter] If the charges are substantiated, what will the PTJ do?

[Loaiza] The General Attorney's Office makes that decision, not the PTJ.

[Reporter] When will the 24 hours end?

[Loaiza] He got here at approximately 1400. Before 1400 tomorrow I must make a decision.

[Reporter] Why is he being held? Is this a preventive arrest?

[Loaiza] I cannot order his arrest. That is up to a prosecutor.

[Reporter] Then why is he being held?

[Loaiza] Let me say this again. The law allows me to keep someone for questioning for 24 hours. That person is certainly deprived of his freedom for that period of time. However, I cannot legally order an arrest. This matter is the subject of an investigation.

[Reporter] How is one to interpret the fact that someone is being deprived of his liberty? What do you call that?

[Loaiza] If I were violating the law, do you not think his lawyer would have filed an injunction against me? [end recording]

Regarding Herrera's current legal situation, his lawyer Rafael Rodriguez had this to say:

[Begin recording] [Rodriguez] When the 24 hours are up, he must be remanded to the appropriate authority. The PTJ has said that he will be held 24 hours, then he will be remanded to the appropriate authority.

[Reporter] As a lawyer, how do you view the situation?

[Rodriguez] I think this is in fact a 24-hour arrest. I do not know what will happen afterwards. We will see. We will see what formula we can find. [end recording]

Costa Rican Police Deny Knowledge of Smuggling

PA2410210190 Panama City Circuito RPC
Television in Spanish 2300 GMT 23 Oct 90

[Text] Costa Rican police authorities today denied knowledge of weapons smuggling of weapons into Panama, as recently announced by Prosecutor Emilio de Leon in statements to local and foreign reporters. Costa Rican authorities also said that they have no official information concerning the holdup on the Ticabus line—Costa Rica-Panama route—that took place in Panama on Sunday, 21 October. It was reported in Panama that the men who held up the bus identified themselves as members of the Panamanian guerrilla group M - 20 [20 December Movement], which reportedly is being trained on the slopes of Barú Volcano and Puerto Armuelles.

A fishing vessel that has been missing since Sunday night is believed to be cast adrift off Panama's Pacific Coast, Costa Rican authorities reported today. The missing boat is named La Negrita, and its registration number is 1492. Four sailors are aboard the vessel that left Golfito Port on 16 October. On Sunday, its crew reported that water was leaking into the engine room. Since then, nothing has been known about the whereabouts of the vessel and the fate of its crew members.

Bomb Hurled at Austrian Consulate 23 Oct

*PA2410134390 Panama City Radio KW Continente
in Spanish 1224 GMT 24 Oct 90*

[Text] We have a report that a bomb was hurled into the yard of the Austrian Consulate at approximately 2330 on 23 October. The consulate is located between India Avenue and Second Street South in the Altos del Golf neighborhood

in Panama City. The bomb destroyed the shutters, cracked the walls, and left a hole measuring approximately 10 inches wide and two inches deep. The appropriate officials have already started to investigate the case and will continue until they find the people involved in this terrorist action. So far, no organization has claimed responsibility for the action. We await the results of the investigation on this new terrorist action against the people's security and peace.

Argentina

Army 'Normal'; Seineldin Supporters 'Ready'

PY2410131590 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1010 GMT 24 Oct 90

[Text] Buenos Aires, 24 Oct (NA)—Authorities have described the situation within the Army as "normal" despite the fact that rumors in the "painted faces" sector say there is a state of deliberation while the government studies the possible expansion of the punishment imposed on Colonel Mohamed Ali Seineldin, retired.

Libertador building [Army headquarters] sources have said that the situation in all Army units "is completely normal," but sectors supporting Seineldin have stated that they clearly disagree with the punishment that has been imposed and that a so-called "Seineldin Staff" [Estado Mayor del Coronel] is "ready to begin operations."

The government has described Seineldin's statement as "the start of a psychological campaign" aimed at changing the salary policy in the military sector.

Although there have been no great developments in the military sector in the 24 hours since Seineldin's arrest, it has been learned that many unit chiefs have met with military personnel and told them they will not allow any proposals to be made.

Vice President Eduardo Duhalde said that "we must now study the contents of the letter" sent by Seineldin "and later we will see if we will increase the punishment or not." Duhalde added that "at any rate" any eventual punishment to be imposed on the leader of the Villa Martelli uprising "will be decided on by the Army."

Duhalde, who is in charge of the presidency, said that he talked with President Carlos Menem and told him that the situation within the Armed Forces "is completely normal." He added: "I told him the situation is calm. I do not like to worry the president while he is abroad." Duhalde also said he told Menem that "there is no indication of a disruption of the established order."

Soviet Reports of Menem's Moscow Visit

WA2410134790

For USSR coverage of President Carlos Menem's visit to Moscow, see the Latin America & Caribbean section of the 24 October Soviet Union DAILY REPORT and subsequent issues.

President Menem Makes Official Visit to Poland

WA2410134290

For East Europe reportage on the visit by President Carlos Menem to Poland, including reports on his talks with President Wojciech Jaruzelski and Prime Minister Tadeusz Mazowiecki, please see the Polish section of the 23 October East Europe DAILY REPORT and subsequent issues.

Brazil

Deputies Learn Source of Enriched Uranium

PY2510021490 Rio de Janeiro Rede Globo
Television in Portuguese 2200 GMT 24 Oct 90

[Text] After remaining secret for nearly 20 years, the parallel nuclear program is beginning to be revealed. The Congressional Investigative Committee, CPI, charged with investigating this program is now inquiring about the source of the nuclear fuel being used by a Brazilian Navy nuclear reactor.

This reactor, which was built by the Navy with the University of Sao Paulo, is a very important part of the Brazilian parallel nuclear program. It is considered a small reactor. It has only 100 watts, but it is essential for nuclear research activities.

Although the equipment is experimental, it uses the same nuclear fuel as an industrial reactor: enriched uranium. An investigation of the source of this fuel began last Friday when the deputies serving on the CPI visited the Navy's Aramar nuclear plant.

Since it went into operation in 1988, this reactor has used 220 kg of enriched uranium, which has never been produced by Brazil. For instance, the enriched uranium for the Angra nuclear plant has been imported in its entirety and cannot be used anywhere else. To do otherwise would be to violate the law and international agreements.

In reply to the CPI members, Admiral Otto Pinheiro da Silva, who is responsible for this project, said he does not know where the uranium came from. Similarly, Luiz Santana, chairman of the state-owned organization charged with overseeing the entire Brazilian nuclear program [National Commission for Nuclear Energy, CNEN], could not tell the deputies who supplied the enriched uranium.

The Brazilian Congress has already learned the name of the country that supplied enriched uranium for the Brazilian nuclear program. The secret was revealed by two former coordinators of the Brazilian nuclear program during a secret session held today at the Chamber of Deputies in Brasilia. This information is being kept top secret.

Even advisers of deputies and senators had to wait in the halls. Behind well-guarded closed doors, only the members of Congress could hear the testimonies of General Danilo Venturini, former secretary general of the National Security Council, and of Rex Nazare, former chairman of the CNEN. The CPI members asked these two former officials about the origin of the enriched uranium for the Aramar Experimental Center in Sao Paulo.

The Federal Constitution now bans any nuclear experiment without the approval of the National Congress.

[Begin recording] [Deputy Ana Maria Rattes, chairperson of the CPI on nuclear energy] For the first time, members of Congress have had access to a still carefully guarded state secret.

[Reporter] But the secret was disclosed only to congressmen.

[Rattes] Only to congressmen. It was done this way for security reasons and to keep our international commitments. We should continue to do so.

[Gen Venturini] We had agreed to keep this information secret, but we cannot deny it to Congress. Today, Congress controls this program. [end recording]

Oil Imports To Be Reduced, Reapportioned

PY2410205490 Sao Paulo FOLHA DE SAO PAULO in Portuguese 19 Oct 90 p B 7

[Report by Francisco Santos]

[Text] As of November, Petrobras will reduce the quantity of oil it now imports per day by 151,000 barrels. The purchase from Iran will be cut from 200,000 to 150,000 barrels per day, and the purchase from Saudi Arabia will be cut from 241,000 to 140,000 barrels per day.

Petrobras knows that consumption is low in the last months and the first months of the year, and it feels that its stockpiles are sufficiently high to make it possible to reduce purchases. Should it need to purchase more, Petrobras will buy on the spot market.

This month Petrobras will purchase about 660,000 barrels per day. To make up that number of oil barrels per day, Petrobras is buying 241,000 barrels from Saudi Arabia; 200,000 barrels from Iran; 65,000 from Venezuela; 26,000 from Qatar; 21,000 from Angola; 14,000 from the PRC; and the balance on the spot market from countries like Algeria and Dubai.

From Venezuela, Brazil bought 6,000 barrels per day during September and 65,000 so far this month, mostly poor grade oil used for asphalt.

Military Suggests New Government Alternative

PY2410232290 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 24 Oct 90 p 7

[Text] Rio de Janeiro—The newspaper OMBRO A OMBRO is one of the most important unofficial military institutions mouthpieces, and it is broadly distributed among all Army, Navy, and Air Force units. In its latest edition it criticizes the left and the right, and suggests a new government alternative.

In an editorial entitled "The Three-Way Hegemony" the military proposes a model that will "reconcile economic development with the principles of commonwealth and social justice."

Importation of Fiber Optics Authorized

PY2510000290 Rio de Janeiro Rede Globo Television in Portuguese 2200 gmt 24 oct 90

[Text] The National Council for Informatics and Automation, CONIN, has reduced the number of items that may not be imported. The new list, which was approved today, includes 48 items and has two changes: Fiber optics have been excluded—that is, they can now be imported; but keyboards have been included. CONIN has already authorized the importation of 250 items.

Chile

Envoy on Evacuations From Iraq, Gulf Situation

PY2410143090 Santiago EL MERCURIO in Spanish 19 Oct 90 p C-2

[Excerpts] Chilean Ambassador to Jordan Nelson Haddad will meet with President Patricio Aylwin at 1230 on 19 October to brief him on the evacuation of the seven Chilean Cardoen Industries employees from Baghdad and the current situation in the Persian Gulf. Haddad has already met with Foreign Ministry Under Secretary Edmundo Vargas and Foreign Policy Director General Carlos Portales.

With the great prudence characteristic of diplomacy and measuring each of his words, Haddad briefed EL MERCURIO on 18 October on the negotiations he carried out in Baghdad to help Chilean citizens to get out of the country. He also expressed his views on the conflict. [passage omitted]

Haddad said that he had no problems on his arrival in Iraq, noting: "I was received as a Chilean ambassador on an official mission, and I appreciated the goodwill displayed during the negotiations." [passage omitted]

Haddad said that Iraqi Deputy Foreign Minister Nizar Hamdoun [name and title as published] explained that his country decided to grant the visas because it wanted to maintain good relations with Chile in view of our country's important role in Latin America. Hamdoun also highlighted the process of transition and political change in Chile, which Iraq considers very positive.

Haddad labeled Chilean-Iraqi relations normal, although he stressed that Chile was observing UN Security Council Resolutions 660 and 661 on economic sanctions against Iraq because of its position as a signatory nation to the UN Charter and its adherence to a traditional policy of rejecting the use of violence to solve international controversies.

Haddad said that, after hearing Chile's position, the Iraqi Government stated that it did not want to attack Saudi Arabia or any other country and that it was seeking a joint solution to all pending problems in the Middle East. Husayn set as a condition to withdraw from Kuwait the fulfillment of UN Resolutions 242, 338, and

425 dated 1967, 1973, and 1982, respectively. All these resolutions deal with the withdrawal of Israel from the occupied territories.

On commercial matters, Haddad said that Chile had ordered an embargo and banned the sale of all kinds of weapons to Iraq and Kuwait in compliance with the UN resolution imposing economic sanctions on Iraq. Haddad also noted that Chile had issued Decree 808, dated 9 October, in which it promised to observe UN Resolution 661. [passage omitted]

Finance Minister Foxley Discusses Economy

PY2410113090 Santiago Television Nacional
de Chile Network in Spanish 0000 GMT 24 Oct 90

[Address to the nation by Finance Minister Alejandro Foxley Rioseco on 23 October; place not given—live or recorded]

[Excerpts] Good evening. Having delivered a report on public finances to Congress today, I have been asked by the president of the Republic to briefly inform you of the status and prospects for the Chilean economy.

Our economic program consists of three basic points: We are unwaveringly committed, first, to a halt to inflation, which as you know threatens our economic stability; a strong expansion of the Chilean economy toward the rest of the world; and a sustained, growing investment in the people through the allotment of more funds for health, education, housing, and social security.

After seven months in government we feel strongly optimistic about the course the Chilean economy has taken under a democratic system. We always said that the first year was not going to be easy. We said that we would not fall for ostensibly effective short-term solutions and that we would not yield to pressures to divert us from our path. We have kept this promise.

This has undoubtedly been a year of economic hardship for many of you. I believe, however, that we should be proud of the maturity with which all of you have endured this difficult period. [passage omitted]

A second reason for optimism stems from the fact that our economy offers promising prospects for future growth. Look at our trade balance. Note that we have kept a balanced fiscal budget and that we have implemented a prudent monetary policy. Above all, note the high investment rate we will achieve both this year and next.

This optimism is reflected in practice in the actions taken by various economic sectors both at home and abroad. Let us look at some examples. Investors have shown confidence in Chile's economic future. Foreign investments will total more than \$1.2 billion this year. Total foreign and domestic investments will be at their highest level in the past 20 years.

International banks have also shown their confidence in Chile's economic future. Less than a month ago, we renegotiated our foreign debt in New York at extremely advantageous terms for our country. Chile was able to complete this process—which took other countries several months or years—in just one week. Following this renegotiation, spokesmen for these banks stated that it was possible to reach a quick agreement with Chile because of the significant democratic progress made by our country and the satisfactory economic policy we have followed over the past few months.

Should it not be cause for optimism for all of us that the international banks themselves—which are today hastily withdrawing from heavily indebted countries—have voluntarily decided to set up a partnership to purchase more than \$300 million in Chilean Government bonds, and that Chile will have to pay a markedly lower interest rate for these resources than those paid by other debtor countries?

America, Europe, and Japan have also expressed confidence in the future of the Chilean economy. There is interest and enthusiasm in being partners with Chile. We have recently signed agreements with the United States, Mexico, Argentina, and Venezuela that will help to open the markets of those countries and increase our trade with them.

The Chilean economy is open to the world. Today we export 30 percent of what we produce, and by 1995 we intend to export 35 percent. We want to add to those exports more of the work and know-how of the businessmen, workers, professionals, and technicians of this country. We are certainly going to begin a stage of increased economic internationalization. This means that our horizons will be extended toward the rest of the world, creating tremendous opportunities for Chile and all Chileans.

In expanding those foreign markets, for example, the production of fruit for export can be extended almost indefinitely from Talca to the south. The growth of the forestry sector will result in a tremendous change in the agricultural sector in the eighth, ninth, and tenth regions. Large investments in the mining sector, which are already being made, will also seek to promote manufactured products, bringing increased prosperity to the greater north [al norte grande], the lesser north [al norte chico], and Aysen.

Our small and medium-sized industries will learn how to export to the most distant countries of the world, generating employment opportunities in scores of towns and localities in our country.

The internationalization of our economy will create thousands of new employment opportunities. Youths must be taught to master new technologies that will make us more competitive in the demanding international markets. [passage omitted]

The path we have chosen will not be free of obstacles, of course. Some of these obstacles are legacies of the past and some are the result of foreign factors beyond our control.

Among the inherited problems is that of inflation, which was accelerating dangerously when this government was inaugurated. To control inflation, the government has supported the Central Bank's monetary adjustment policy, and has decided not to increase public expenditures in 1990.

By late August excessive economic spending had disappeared, and the consumer price index was reaching an acceptable level, taking into account the impact of the drought on prices for some food items, which increased sharply in August.

Unfortunately, the oil price increase that has been affecting our economy over the past two months has complicated our macroeconomic outlook.

Following the Iraqi invasion of Kuwait, international oil prices increased from \$18 per barrel in July to nearly \$40 per barrel in early October. An increase of this magnitude in international oil prices has objectively made our country poorer because we have to pay more for our fuel imports. Chile imports 85 percent of its oil needs, and the increase in oil prices will necessitate additional spending of more than \$600 million a year.

In response to this blow from abroad we had two options: The first was what we could call the easy option, although not the responsible one. Had we taken this road, we would have been acting as if the semibelligerent situation in the Gulf were meaningless. This is what we would have been doing if we had refused to increase fuel prices despite the enormous increase in the international oil price. Let us not deceive ourselves. This would have resulted in the government subsidizing fuel prices, and these subsidies would have been so large that they would have endangered our hard-won balanced budget. Or, even worse, these subsidies would have forced us to delay major social programs, a move the government is not willing to make.

The course of action we actually took will be more difficult initially, but it is more responsible. The fuel price increases already implemented in the country will be instrumental in preventing untenable situations in the future. To prevent further increases we have proposed the creation of an oil stabilization fund. This fund will be financed with resources from the copper fund and will initially consist of \$200 million.

The oil shock has inevitably caused inflationary effects, and it was largely responsible for the high consumer price index in September. In the face of this situation, we want to reaffirm that the government continues to view its goal of bringing inflation under control as a basic objective. We will maintain our fiscal and budgetary discipline without hesitation. Let no one be confused about our firm decision in this respect. Real public

spending will not increase between now and the end of the year. We will continue to support the Central Bank's monetary policy, which will be in keeping with our goal of curbing inflation. This is the only way for Chile to return to the path of sustained economic growth. [passage omitted]

It is also appropriate to mention that we are dedicating our best efforts to improving the situation of the poorest sectors. We are also opening new channels for the emergence of the middle class. But you know the fate of the workers, the poor, and the middle class. They will not be helped unless the economy is kept in order. I therefore want to reiterate: We are not going to spend more than what we have. We are not going to yield to demands that the country cannot adequately finance. We are going to encourage the private sector to invest, however, because that is the source of new jobs for all Chileans. We are going to lead Chile toward an integration with the world economy. We are going to modernize this country for the benefit of all Chileans. [passage omitted]

Dear friends, Chile is firmly moving toward becoming a prosperous economy and an exemplary democracy as well. Our country has been welcomed with applause by the international community. We Chileans should not miss this chance. We must work hard because no one will do this job for us. We must continue to walk the path of cooperation, effort, and perseverance. All of us, you and I, are aware of this. This is how to get ahead in life. This is how we can build a better future for our children. Good night.

Police Discover Lautaro Group Firing Range

*PY2410151590 Santiago EL MERCURIO in Spanish
15 Oct 90 pp C-1 - C-8*

[Excerpts] Lautaro Youth Movement [MJL] members used an abandoned lot on Walker Martinez Avenue in the Lo Canas area as a firing range to train recently recruited youths in the use of automatic and semiautomatic weapons which they later used to carry out criminal activities.

This information was reported by Carabineros in Santiago's southern sector after they arrested a 16-year-old youth who had been trained at the clandestine lot.

According to the police, more experienced members of the Lautaro Youth Movement were in charge of recruiting poorer youths and then training them in La Florida District.

It has also been reported that the criminals used a brickyard in Villa El Rodeo in the La Pincoya area as their meeting place. A clandestine factory where "home-made" shotguns were made out of pipes was dismantled there a long time ago. Common criminals from the area and Lautaro Group members used these weapons. [passage omitted]

The Lautaro Movement is made up of cells of five to 10 persons which organize actions to be carried out by the brigades. Based on information on this structure, it is believed unlikely that these groups meet at church buildings because "the subversives are always moving around to shake off the police." [passage omitted]

Terrorists Train 'Dog Bombs' for Attacks

PY2410195490 Santiago LA TERCERA DE LA HORA in Spanish 13 Oct 90 p 4

[Excerpt] It has been recently discovered that "dog bombs" are being trained to participate in terrorist attacks. This maneuver is apparently part of the announced and subsequently dismantled "vendetta" between former security agents and terrorist groups that had been scheduled for September.

Military intelligence services accidentally discovered this tactic when a dog was run over by a truck outside the house of a former agent who was identified as Marco Antonio, in Poblacion Ganaderos in the city of Temuco. Antonio was about to get in his car when an explosion was heard as the dog collided with the truck. The truck was driven by a farmer from the Lautaro zone whose name was not disclosed at his exclusive request. It has been reported that the explosion was not very powerful because the animal collided with the front tire. A strong explosion would have taken place had the animal collided with the rim.

The former agent was surprised at this incident. He and his colleagues carried out an investigation and reached the conclusion that "tests" are being conducted into this new terrorist "modus operandi." [passage omitted]

FPMR Attacks Broadcasters Association Office

PY2410211890 Santiago Radio Chilena Network in Spanish 1600 GMT 24 Oct 90

[Text] A Manuel Rodriguez Patriotic Front [FPMR] group has carried out a propaganda raid in the offices of the Association of Chilean Broadcasters, Archi.

The group that broke into the Archi offices comprised at least two people who wore ski masks and carried automatic guns. According to a witness, they forced the employees to lie on the ground. They tied them up and put plugs on their ears. The group then disseminated their propaganda. Archi has issued the following communique:

[Begin unidentified speaker recording] The main Archi headquarters has been the victim of a cowardly attack, its personnel have been intimidated, computer equipment has been stolen, and slogans have been scribbled on its walls.

The heavily armed group claimed that it was acting in defense of the wrongfully denominated popular radio stations [radios populares]. The origin of some of these

radio stations has thus become evident. Archi demands that those who support these illegal radio stations review their support.

Archi will not be intimidated in its effort to defend legality—which is a characteristic of any state of law—and it will continue to denounce attempts to establish a communications network whose objectives become evident with actions like the one that took place today. [end recording]

Archi has thus warned society of the objectives of these so-called popular radio stations, which aim at creating a parallel power in the country.

Minister Dissatisfied Over Chamber Agreement

PY2410233690 Santiago EL MERCURIO in Spanish 19 Oct 90 p C 3

[Excerpt] Justice Minister Francisco Cumplido has expressed his dissatisfaction over the agreement reached at the Chamber of Deputies regarding the possibility of maintaining some crimes committed by civilians, such as the specific case of sedition, within the jurisdiction of the military courts.

The minister yesterday took part in a Cabinet meeting. He was later consulted about the debates on the so-called "Cumplido Laws" in Congress and the Chamber of Deputies decision to continue to allow the military courts to try cases of alleged sedition even if the people involved are civilians.

Cumplido said that this will occur "whenever the trial involves crimes against domestic security, which are contemplated by the Military Justice Code." He added that the Chamber of Deputies has maintained this exception. [passage omitted]

*** Weekly Lists 50 Most Powerful Individuals**

90SM0282C Santiago QUE PASA in Spanish 6 Sep 90 pp 6-9

[Article by L.G. and A.D.C.]

[Text] If one were to choose the "man of the year" this year, one would unquestionably have to opt for a concept: democracy.

The great diva is making a comeback in our country and one either conducts oneself or makes excuses for oneself in reference to her. Just as last year we had the election, this year it is that fickle miss who has turned into the incentive for a whole series of persons—or personages—worthy of being noticed by QUE PASA.

In keeping with the tradition of our periodical, we have drawn up a list of the 50 most influential individuals in the country. This is naturally the first time such a thing has been done under this political system and there are consequently several new elements. To begin with, the power once concentrated in a handful of persons and

which had its occult aspects is now "fairly" distributed. Many more have access to decision-making, but far fewer enjoy great power. Such "sharing" has shortened distances, and the power of key figures is due more to the institutions they represent than to their own specific weight.

That much is obvious. The Christian Democratic Party (PDC) is the semi-official party and has the largest number of influential figures (11 members, four of them ministers), followed by the Socialist Party (PS) (six, with two ministers). The 1989 list is minus 28 and of the 50 who made the grade ten years ago, only Jaime Guzman and Andres Zaldivar are left. Then there is President Patricio Aylwin, who for obvious reasons was excluded from the 50 this year. Women are conspicuously absent (only Gladys Marin was chosen), as are ideologists (perhaps a sign of the times). University rectors have also lost the influence they enjoyed during the years under the military government.

A committee made up of Christian Democrat Genaro Arriagada; the director of the Freedom Institute, Francisco Javier Cuadra, from the RN [National Renewal]; the director of the Freedom and Development Institute, Cristian Larroulet; socialists Manuel Antonio Garretón, Jose Joaquin Brunner, and Camilo Escalona; and RN Senator Sebastian Pinera, selected the list. It goes without saying that no one voted for himself!

Six ministers were chosen from the government, starting with Edgardo Boeninger, minister-secretary general of the presidency, whose power as one of the "brains" and Palace negotiators is undisputed. Opinions were divided on his colleague Enrique Krauss, minister of interior, although, due to his status as chief of staff and a member of the La Moneda Political Committee, a definite majority included him. In addition, his somewhat "soft" political style reflects, they said, what the president wanted in that post. Secretary General of Government Enrique Correa received a unanimous vote, a true politician of recognized skill and decision-making ability within La Moneda. From the same party, Minister of Education Ricardo Lagos is assured of a spot, not only because he heads a socially influential area, but also because his movements are always highly noticeable (he will now generate debate over the Teaching Statute). In addition, Lagos is socialism's "presidential" card (at the top of opinion polls) as an alternative to the DC—without breaking off from the Coalition—for the next elections.

In the economic area, the key figure is naturally Minister of Finance Alejandro Foxley, a good administrator who gives confidence to all sectors inasmuch as his presence ensures a certain continuity. Depending on his current performance, more than one person sees him as running for O'Higgins' seat for his party. The last minister is from Justice, Francisco Cumplido, less for his specific power than for heading the decisive laws that bear his name. Something similar is true of the chairman of the Truth and Reconciliation Commission, Raul Rettig, who

symbolizes all the members of that body which compiles background information on human rights crimes and who is in the eye of the hurricane because it is a complicated issue.

From among Christian Democrats, their president, Senator Andres Zaldivar, was naturally chosen. Zaldivar is an influential man who has not given up hope of running for the presidency. Also chosen is Senate President Gabriel Valdes, whose hard work and ability to adapt to the circumstances have gained him prominence as a political figure, which also makes him a possible presidential candidate. Outstanding in the Chamber of Deputies is Andres Aylwin, a key figure on the issue of political prisoners and a potential source of influence over his brother the president. Deputy Gutenberg Martinez, vice president and driving force of the party, is carving out a career representing the "new" generation. Finally, there is Genaro Arriagada, also a vice president, outstanding because of his incessant activity and effective handling of whatever he undertakes, a potentially decisive factor in the change of political systems—to semi-presidential—on which he is bent. His presidency of Cooperative Radio gives him added weight.

In the United Socialist Party, Clodomiro Almeyda retains his importance. As in previous years, it is he who exercises undeniable leadership and confers socialist "legitimacy" on the party. The unity of the PS is in his hands because if he should so decide, it would unquestionably split. Secretary General Jorge Arrate deserves credit for having led the unification movement and is one of the candidates for the PS presidency in the November elections. The other is Ricardo Nunez, who has the support of the so-called "Renewalists" and even Ricardo Lagos (the two were not always friends), although his role as senator has been relatively inconspicuous. This is not the case of the president of the Chamber of Deputies, Jose Antonio Viera-Gallo, who has taken advantage of his office to shine with his moderate style. Intellectually speaking, he is also one of the outstanding figures of "renewed" socialism.

The Communist Party has ceased exercising influence, although the crisis afflicting it is a key. The orthodox line has been imposed on the party, and for this reason we did not include dissidents, although those interviewed left Luis Guastavino and Fanny Pollarolo on the "waiting list" (it will basically depend on what they are capable of doing in the future). The entire "committee" agreed that the person who truly controls the PC and who supports the current position ideologically is Gladys Marin. At the other extreme (not all the key figures enjoy that position for their good actions) is the controversial member of the FPMR [Manuel Rodriguez Patriotic Front], Vasily Carrillo, who, in addition to "symbolizing" the conflicting political prisoners, has been heard getting under the government's skin with his biting statements.

Andres Allamand is decisive as president of the main opposition party, the National Renewal (RN). He represents

the change in generations on the right and his great capacity for generating scenarios is recognized. The new RN leader—who is trying to place his dynamic, progressive stamp on the party—is establishing a new relationship with the semi-official party. His natural leadership in the RN indeed confers importance on Senator Sergio Onofre Jarpa, who continues to exert influence on the board of directors and generates enthusiasm, particularly among regional sectors less enamored of "modernity." Moreover, he is also presidential timber. Finally, Senator Sebastian Pinera earned himself a place on the list by his active, leading work in Congress. In addition, this "partner" of Allamand does not conceal his intention of running in the next presidential election representing the RN.

The leadership of Senator Jaime Guzman is indisputable in the UDI (Independent Democratic Union), a "factor" present for many years in Chilean politics. Functional in the handling of the UDI ideologist is leader Joaquin Lavín, the party "marketer" who, despite being elected deputy, gets the most UDI press. He has waged a fairly timely opposition that has an original focus on issues. The UDI, along with the PC, tries to capitalize on social discontent, participating in takeovers, for example, and it is Lavín who emerges as the driving force behind this Christian-popular profile the party has now acquired.

The million votes he obtained in the December election gives Francisco Javier Errazuriz his place in local politics, particularly since, at the time of his reappearance, the polls give him good presidential chances and the center party that backs him is collecting signatures. "Fra Fra" is considered a "cluster bomb" for the right with his capacity to alter the picture if he decides to do so. Another independent and former candidate on the prowl who punishes the right is Hernán Buchi.

It is not only because it is feared that he might just decide to run again (he just said in an interview that "I won't say yes, but I won't say no either," and he is known to be creating conflicts in the opposition because he is back proselytizing), but also because of the activity of the Freedom and Development Institute he heads. All sectors agree that work done by that studies center ranks among the best that reaches the Congress as support for its members, provoking the "envy" of "ruling party" members. He therefore has influence. As does, on the right, former minister Carlos Cáceres, the reluctant player whom many would like to see running for the tricolor sash in '93.

As one of the members of the selection committee commented, the Armed Forces have become a kind of collegial body in which each branch has the right to one name. In addition, the comment went, "anyone with over ten guns is a key." Actually, the four heads of those who control the weapons have their share of influence. General Fernando Matthei was named by some as a counterbalance to Pinochet's power, although he has recently been "submerged." The only point on which there was agreement was that his importance stems from his post as commander in chief of the Chilean Air Force.

In the case of Admiral Jorge Martínez Bush, he is considered a person with special traits, very intellectual, who in a very short space of time has given the Navy a cohesive institutional profile. Rodolfo Stange, general director of Carabineros, heads the institution which, now that there is no intelligence service, has taken over the role of the antiterrorist fight. In addition, he has established a kind of alliance on the matter with the government, with a positive relationship that has even meant an increase in its resources.

In a separate category is the Army, headed by General Augusto Pinochet, who holds undisputed power and sufficient autonomy. He has demonstrated loyalty to those in uniform by assuming responsibility, which guarantees him internal leadership and prestige. Politically speaking, he is still relevant. No one forgets he spent 16 years in the presidency. His personality and skill in handling power ensure his survival, and there is no dearth of those who think his political role can be revitalized as a result of a comparison if mistakes are made by the current leadership, in which case he may personalize it or pass it on to someone else. Without question, he is one of the few on the list to transcend the post he represents.

One cannot avoid mentioning General Jorge Ballerino, who heads Pinochet's advisory committee. In addition, Ballerino—who, in the opinion of the semi-official party, rouses a certain internal resistance—is the right interlocutor for any issue or analysis made of the Army. Finally, there was unanimity on the renowned official N.N. as a "symbol of the diffuse feelings of the silent majority in uniform."

In the labor sphere, there is no doubt about the influence of CUT [United Labor Federation] President Manuel Bustos. His organizational comrade, communist leader Moisés Labrana, emerges as an alternative, particularly because this is the only field in which the PC still has some power to exert pressure and express its demands.

The "counterweight" among owners is the president of the Construction Chamber, José Antonio Guzmán. Guzmán emerges as a leader due to his participation in the labor-management-CUT agreement and is bandied about as the most likely successor to Manuel Feliu, who is finishing out his term at the head of the Production and Commerce Confederation (he may become an important figure in the political world). Likewise, the president of SOFOFA [Industrial Development Association], Fernando Aguero, is also among the key figures (among other things, because of his resistance to change), although there is no lack of those who say that in that organization, it is the president of Paper, Ernesto Ayala, who still controls things from behind the scenes.

In this connection, businessmen have always had their share of power, but this year they are observed more carefully because development of this area will be decisive in the economic and therefore political success of

the government's administration. The latter are symbolized by Eliodoro Matte Larrain. From Paper, the "grey-haired" Matte represents the powerful young businessman.

Also included is Anacleto Angelini, who, despite his "low profile," is the businessman most often mentioned as one of the 50, and Ricardo Claro, who has always pulled the strings of power and who, in addition to having made it as a big businessman, has acquired more notoriety as a result of the purchase of Channel 9, soon to make its debut.

For the televised media, whose influence needs no further comment, Eleodoro Rodriguez, director of Channel 13, is also included. To date, the Catholic channel has been the leader, but it faces a great challenge because its leadership is now in dispute. For now, noteworthy work has been done to improve ratings by TVN director Jorge Navarrete, who, among other things, struck a blow with the hiring of Bernardo de la Maza to direct the news. Another decisive figure in television because of his credibility and very arrival is Mario Kreutzberger. Francisco is the great communicator of Chilean television and his opening to government politicians on his Saturday program on the 13th places him in a position of influence.

In the written press is the president and editor of EL MERCURIO, Agustin Edwards (we were also advised to include his spiritual adviser, Father Jose Miguel Ibanez, who is said to make his voice heard by the officials of this publishing company), the editor of LA SEGUNDA, Cristian Zegers, who won the National Prize in Journalism, and the president of COPESA [News Consortium of Chile, Inc.] and editor of LA TERCERA, German Pico.

Due to the difficulty in measuring specific influence, the intellectual and cultural world is not represented, except for the recognition given to Jose Donoso, winner of the National Prize for Literature in 1990. The writer now makes his presence felt in three areas, through his latest novel, "Taratuta y Naturaleza muerta con Cachimba," the play "This Sunday," and the film, "The Moon in the Mirror."

In this year of the democratic debut, the Church appears as a declining power, whose greatest influence will be found in the "permission" it grants to solution of the human rights issue. In the final analysis, it will be up to the party to validate the agreement. In addition, much of the information now available was obtained thanks to the cooperation of the Vicarage of Solidarity headed by the archbishop of Santiago, Monsignor Carlos Oviedo, a priest of great distinction who holds a key institutional post. It is nevertheless claimed that the person who exercises greater influence, particularly in the Church sector, is the president of the Episcopal Conference, Monsignor Carlos Gonzalez Cruchaga. His administrative ability, however discreet, is recognized. It is said

that Gonzalez' intervention was a key to the appointment of Oviedo, inasmuch as the former has very close contact with papal nuncio Giulio Einaudi.

The last two are the president of the Central Bank, Andres Bianchi (due to the organization's autonomy) and Supreme Court Chief Justice Luis Maldonado, by virtue of his post as head of a branch of the government.

Emphasis is also placed on the fact that Minister Enrique Correa Labra, president of the Third Chamber, is the person who, when it comes time to make the decisions, casts the deciding vote on the Court.

The 50

1. Fernando Aguero 2. Andres Allamand 3. Clodomiro Almeyda 4. Anacleto Angelini 5. Genaro Arriagada 6. Jorge Arrate 7. Andres Aylwin 8. General Jorge Ballerino 9. Andres Bianchi 10. Edgardo Boeninger 11. Hernan Buchi 12. Manuel Bustos 13. Vasily Carrillo 14. Carlos Caceres 15. Ricardo Claro 16. Enrique Correa 17. Francisco Cumplico 18. Jose Donoso 19. Agustin Edwards 20. Francisco Javier Errazuriz 21. Alejandro Foxley 22. Monsignor Carlos Gonzalez 23. Jaime Guzman 24. Jose Antonio Guzman 25. Sergio Onofre Jarpa 26. Enrique Krauss 27. Mario Kreutzberger 28. Moises Labrana 29. Ricardo Lagos 30. Joaquin Lavin 31. Luis Maldonado 32. Gutenberg Martinez 33. Admiral Jorge Martinez 34. General Fernando Matthei 35. Eliodoro Matte 36. Gladys Marin 37. Jorge Navarrete 38. Officer N.N. 39. Ricardo Nunez 40. Monsignor Carlos Oviedo 41. German Pico 42. General Augusto Pinochet 43. Sebastian Pinera 44. Eleodoro Rodriguez 45. Raul Rettig 46. General Rodolfo Stange 47. Gabriel Valdes 48. Jose Antonio Viera-Gallo 49. Andres Zaldívar 50. Cristian Zegers

* Threat to Judicial Independence Discussed

90SM0282D Santiago EL MERCURIO in Spanish
11 Sep 90 p A-2

[Article by Pablo Rodriguez Grez]

[Text] Without question, Western democracy, with all its virtues and flaws, is based on the principle of the separation of the branches of government, which presumes a suitable balance in their interrelationship.

The Constituent Assembly obeyed tradition and paid special attention to this issue in the constitutions of 1833, 1925, and 1980, carefully regulating the relations that exist between all branches of government.

In recent months, using the excuse of a need to modernize the Judicial Branch and ensuring that it regains its status as such, a proposal has been made that a National Council of Justice be established which, without jurisdictional powers, would exercise a kind of administrative tutelage over its operation, judicial policies, and appointments to the higher courts. The Council would be

made up of representatives of the Executive and Legislative Branches and officials from Bar associations, law schools, and other organizations even more removed from the judiciary. The Council would be placed over the Supreme Court but, they keep insisting, it would not interfere in the administration of justice.

This is an extremely serious proposal and gravely threatens to establish political control of Chilean courts. In fact, it is impossible even to understand why a branch of government, whose independence is vital to the proper performance of its duty, should be subjected to such an organization in which political-partisan preferences would invariably play a demanding and, in the end, decisive role. Undeniably, members of Congress, academicians, and members of labor organizations, particularly from Bar associations, would make their ideological position prevail on the Council and subordinate its action to it. Likewise, it would be impossible to prevent appointments, judicial policies, and their projection from ending up, if not dominated, at least powerfully influenced by party conflicts, their interests and aspirations. In sum, in short-range terms, the formation of such a council would end or at least limit the independence of the Judicial Branch, which in the future would be subjected, not only to other branches of government, but to prevailing political fluctuations and trends, which is even more harmful.

Could anyone seriously claim the suitability of organizing other councils that would in some way limit the independence of the Legislative or Executive Branch in areas belonging to them? Is it not a flagrant contradiction to sustain the suitability of establishing such an organization and, at the same time, the need for ensuring the autonomy, independence, and eradication of any political influence from the Judicial Branch?

Only the Supreme Court knows and is in a position to evaluate judicial policies, the qualifications of its officials, and can propose to the Executive Branch (whether in lists or individually) appointments for judgeships. This has worked well up to now. To turn over the selection of individuals for posts to the judges themselves would encourage nepotism (with which we have had sad experience). To turn over the power to make such appointments to a council mainly made up of elements from the other branches and trade union organizations would irremediably politicize such posts and Justice would be that in name only, as has happened in other countries which have opted for similar mechanisms or which allow judges to be elected with the participation of political parties.

In addition, the proposal in question has the disadvantage of diverting attention from the real judicial problems in material, organic, and legal areas. We all know that for many decades, this task, so indispensable to the proper functioning of a democratic society, has been neglected and this branch of government turned into an impoverished public service. We have often emphasized the absurdity of the fact that the National Bank, to give

but one example, has more than twice the personnel of the Judicial Branch and a budget several times larger. Can the government have reached the extreme of distorting its own tasks, trying to compete with commercial banks and neglecting what is inherently its and what is, in addition, a pillar of the state of law?

Nor is anyone unaware that the number of unipersonal and collegial courts is tiny compared with the needs of the population, that there are judges who handle over 5,000 criminal trials at once, that the number of cases accepted by the Santiago Appeals Court far exceeds what it can handle, and that judicial pay is a factor discouraging the most outstanding professionals from taking up such a career. As if this were not enough, the environment in which many courts function is deplorable (although we do not know what progress was made under the last regime) and certain communications media interested in challenging the courts organize veritable campaigns to discredit judges solely because they do not agree with the content of their rulings and want to make them dependent on political power.

Equally significant has been the poor contribution which schools of law have made to the judicial task (with very honorable exceptions), particularly in areas of such importance as interpretation of the law, legal research, the critical study of jurisprudence, and so on.

Consequently, what must be done is to provide effective support for the judiciary, making all necessary legislative modifications in order to guarantee their independence and eliminate any political factor that might disturb it. A plan to modernize the judiciary should begin by evaluating unmet needs, quantifying them and seeking a way to solve them, studying ways to create rapid procedures in those cases in which the nature and magnitude of the conflict do not deserve disproportionate efforts in order to restore order and, above all, extending judicial services, with qualified staffing, to all social strata. Only in this way can citizens acquire the conviction that law is the only instrument capable of endowing society with order, justice, and security.

A country can bear the politicization of its universities, professional associations, religious organizations, and even cultural and artistic manifestations, but all these things have a powerful antidote in the Judicial Branch which, in the final instance, restores the balance broken by these activities when they go astray. But when the Judicial Branch becomes the instrument of political passions and interests, not only does democracy suffer, but social life itself becomes intolerable and is poisoned by destructive ideologies.

* CORFO Deficit, Privatizations Viewed

90SM0282E Santiago EL MERCURIO in Spanish
13 Sep 90 p A-3

[Editorial]

[Text] Minister of Economy Carlos Ominami has announced that next year, CORFO [Production Development Corporation] will register a deficit of \$150 million, as a result of which the government is working on financial rehabilitation measures for the institution, including bidding on its credit portfolio and the sale of new packages of shares in companies in which the government corporation holds stock. The minister added that the CORFO board is drafting a report on the management of this public agency under the past administration, warning that it will include an "extraordinarily critical" review of the process of privatizing firms followed during that period.

According to information released, CORFO has a debt of some \$1.7 billion, the result of assuming the liabilities of national enterprises privatized by that organization in the past decade. Ominami stated that revenue from the sale of such firms was not received by CORFO, but rather, went to the Ministry of Finance, thus generating the development agency's current deficit.

The subject of the manner in which privatizations were carried out under the past government is a complex one that has come up repeatedly and for a very simple reason: Those who opposed them—including officials in this government—always find that they were sold at a price far below their real value or were sold to certain specific groups. To date, however, it has not been proven that any irregularities of this nature were committed and, in this connection, it will be interesting to see the results of the investigation now being conducted of CORFO.

One point frequently mentioned is the fact that the enterprises were reportedly sold without their debts, which then remained as liabilities of the Production Development Corporation. However, it is obvious that the foregoing situation implies no irregularity to the extent that the factor is reflected in the sales prices of the firms. In other words, a company that is sound and without debt would have a higher value than another with liabilities. In the case of some CORFO enterprises, this was manifest, inasmuch as it was impossible to sell many of them with their accumulated debt.

Furthermore, it seems entirely logical that resources stemming from privatizations would not remain with the Development Corporation, but rather, go to the Ministry of Finance. In fact, it is this latter organization that must coordinate the nation's revenue and spending so as to assign funds to tasks having priority, including those of a social nature. One should recall criticisms made a few months ago when, at the same time a tax increase was proposed, the privatization process was halted. In other words, while the government justified a similar measure due to a lack of resources, it allowed a process to be halted that had been a major source of revenue in recent years.

The minister of economy has announced that the mechanism may be resumed due to the CORFO deficit, which

is another way of saying that the government misses the resources from the privatizations. Beyond isolated statements, it would be of the greatest importance for the government to adopt a final decision on a subject which already has a clear response in the rest of the world.

Colombia

EEC Eliminates Tariffs From Products

PA2410210090 Bogota Inravisión Television
Cadena 1 in Spanish 1800 GMT 21 Oct 90

[Text] The EEC's decision to accord Colombian products preferential treatment by eliminating the tariffs on these products will be enacted tomorrow, when the political decision will be complemented by a technical one that will permit Colombian products to enter the European market, tax free, for four years.

The Colombian producers have four years to win over the European consumers. The EEC this week will knock down all the export barriers against goods manufactured in Colombia. As of 1995, there will be no excuse for Colombia to belong to the Third World, be indebted, have a backward industry, or experience cases of extreme violence. These will be weak arguments for the developed countries to give Colombia certain privileges. Precisely for these reasons, the EEC was able to ignore the world practice in which the commercial benefits granted by any one country are granted in exchange for benefits from another country. Not only that, but Europe demanded no benefits in exchange for the decision to let Colombian products enter the huge European market tax free. It is necessary to take advantage of the situation and win the Europeans over with the smell and flavor of black coffee, the fragrance and beauty of Colombian flowers, and the perfectly manufactured Colombian footwear. The eagerness of the moment must result in greater production, more exports, and more jobs. At least, this is what the coffee growers are already thinking. Here is Fedecafe [National Federation of Coffee Growers] Director Jorge Cardenas Gutierrez:

[Begin Cardenas Gutierrez recording] This tariff reduction is very important to us. It is an incentive for the marketing of coffee and makes us competitive with other countries that grow coffee of similar quality. [end recording]

The state will help by not charging the exporters the taxes they have not paid in other countries. Here is Deputy Finance Minister Luis Fernando Ramirez:

[Begin Ramirez recording] It is reasonable to think that Colombian exporters can begin with lower prices to be able to better penetrate the market. I suppose this profit can be shared between Colombian exporters and European consumers. [end recording]

In four years, when all of the privileges granted by the EEC to Colombia will have ceased, Colombian growers

will have to sit down and negotiate. Hopefully, they will be able to talk with the world's most highly developed countries on equal terms.

*** Regulation Governing Planning Committees**

90SM0281A Bogota EL TIEMPO in Spanish
17 Sep 90 p 8a

[Text] The following is the text of the regulation governing Constitutional National Assembly planning committees and work groups, issued by Cesar Gaviria.

The President of the Republic:

Whereas:

The process of constitutional reform must express the national will as expressed on 27 May 1990 in favor of the strengthening and modernization of institutions and the construction of a participatory democracy;

The process of constitutional reform must reflect the Colombian people's desire for justice and equality;

It is necessary to promote a great national debate in which all citizens may participate in order to express their opinions on specific reforms which, in their opinion, should be passed by the Constitutional Assembly;

Social and regional forces and experts and leaders have within the process of the Constitutional Assembly a historic opportunity to contribute decisively to the construction of the institutions of the future;

It is indispensable to create wide-ranging mechanisms of participation so that the reforms finally passed by the Constitutional Assembly will become effective instruments for handling problems and responding to the most urgent needs of all Colombians;

National opinion must be heard and organized in such a way that it can be consulted and utilized by the Constitutional Assembly, political parties, and the National Government;

The president of the republic has assumed responsibility for guiding the process of constitutional reform and has listened to political forces and heard the opinions of social forces expressed in favor of the creation of mechanisms for the expression of their concerns;

It is necessary to facilitate and design the makeup and operation of planning committees and work groups in order to fulfill the previously described purposes;

The following regulation is established:

1) planning committees and work groups: The constitutional reform agenda will be submitted for the study of planning committees and work groups organized by mayors, university rectors, boards representing social

forces, native town councils, Councils of Rehabilitation, or any other forum of participation set up for that purpose.

Chapter I. Work Groups

2) Makeup: Work groups set up to analyze the topic will be made up as follows:

a) in municipalities and the Special District of Bogota, mayors may be responsible for their makeup, appointing members directly following consultation with the proper social organizations or setting quotas for each committee that will later be filled by those chosen by the organizations in question. In so doing, their basis of reference will be the distribution of topics by subcommittee, as suggested in this regulation.

b) In the universities, rectors may be responsible for their makeup and seek the participation of organizations of students, professors, research centers, and in general, a balance between the different bodies making up the university.

c) The boards of each of the social organizations mentioned in this regulation may set up work groups on topics of special interest and relevance to members and join together to promote them.

d) Pursuant to a decision by a majority of their members, councils of rehabilitation and native town councils may comprise work groups to handle topics agreed upon.

3) Registry of work groups: Every work group must draft a document containing basic information with a list of members, the dates on which they will meet, location of headquarters, addresses and telephone numbers, and the names of board members. Such information will be sent by 30 September to the executive coordinator of Constitutional Assembly planning and the following offices:

a) Work groups formed by mayors will send them to the governor, intendant, or proper commissioner who, following consultation with the executive coordinator of Constitutional Assembly planning, may appoint an official, university, or other institution to serve as departmental, intendant or commissary coordinator of work groups. That official will perform an eminently technical task of systematizing this information and the reports and documents of work groups.

b) Councils of Rehabilitation will send them to the Office of the Secretary of People's Integration to the Office of President of the Republic that administered the National Plan of Rehabilitation. In addition to organizing such data, the Office of the Secretary will systematize reports and documents of the respective work groups.

c) Native town councils will send them to the Division of Indian Affairs of the Ministry of Government, where reports and documents of the respective work groups will be organized and systematized.

d) Work groups comprised of universities and social forces will send them to a special committee made up of a representative of the Office of the President, a representative of the Ministry of Government, and a representative of the Government Advisory Drafting Committee for drafting of the proposed Constitutional Reform.

Paragraph 1. The governor, intendant, or commissioner, the Office of the Secretary of People's Integration to the Office of the President of the Republic, the Division of Indian Affairs of the Ministry of Government, and the Special Committee will submit to the executive coordinator, in systematized form, all basic data, reports, and documents of work groups before 3 December 1990.

Through the executive coordinator, the Office of President of the Republic will systematize information in order to supply it to political parties and the Government's Advisory Drafting Committee. All such information will be part of the Constitutional Assembly Documentation Center so that it may be used by members of the Assembly.

Paragraph 2. Social organizations of national scope include the following: guilds in the main sectors of the economy, trade unions, civic and communal organizations, native and ethnic minority organizations, student and youth organizations, peasant organizations, feminist and women's organizations, organizations of retired persons and pensioners, organizations of retired military and police personnel, organizations of environmentalists and ecologists, human rights organizations, professional associations, associations of public universities, associations of private universities, the Catholic Church, and other churches.

4) Reporter's Office: By 26 November 1990, the reporter from each work group will send the respective coordinator a final report on analyses made by the different work groups along the lines established for final subcommittee reports.

5) Relationship between work groups and planning subcommittees: Work groups may submit to planning subcommittees requests for special hearings to be held between 30 October and 20 November 1990 in order to present proposals.

Subcommittees will allow sufficient time to receive and study such proposals before drafting the final report.

Work groups will submit written requests for hearings to the general coordinator of the respective subcommittee, depending on the topic of the proposal, indicating the articles of the political constitution to be modified, the text of the article as it would read according to the reform, a summary justification of the proposal, and the persons backing it. Every work group has the right to a hearing.

6) Support from ESAP [Advanced School of Public Administration]: Work groups will be aided by the

Advanced School of Public Administration on all matters relating to information, logistical support, and other areas when they so request and in connection with which such support may be useful.

7) Duration: Work groups will function until 15 November 1990.

8) Regulation, planning, method of discussion, hearings: Work groups will organize their work in accordance with the needs and interests of the place where they meet and may be guided by provisions set forth for planning subcommittees.

9) Reporter: Every work group must have a reporter chosen by the respective organizer. In groups organized by mayors, the reporter may be the procurator or secretary of the town council in question.

Chapter II: Concerning Planning Subcommittees

10) Makeup: Subcommittees will be made up of spokesmen from social organizations, experts in different fields, and leaders whose activities and interests are related to topics assigned to the subcommittee. The makeup of subcommittees will not be based on partisan considerations. Each one must have at least three social organizations represented, depending on the topic in question. Committees will be divided into subcommittees as established by this regulation.

When a planning subcommittee has finally been formed by consensus, it may call on other persons to become members if they can help enrich its debate, particularly experts on the different areas within its competence.

11) Duties: Subcommittees will have the following duties:

a) to receive proposals indicating the article of the constitution to be modified, waived, or added to, the name of the proposer and his telephone number, the precise reform proposed, and its justification;

b) to classify proposals based on points of the agenda referred to and the articles of the constitution to be modified, added to, or waived;

c) to summon to hearings the authors of proposals, experts on the topic, and in general, anyone asking to be heard on the proposal;

d) to analyze the different proposals for the purpose of articulating subcommittee initiatives and justifying them, up to a maximum of 20 pages; and

e) to draft a final report.

12) Programming and Method of Discussion

Through its Office of the Executive Secretary, the planning subcommittee will determine the agenda of sessions and the method to be followed. Consequently, all meetings will have a previously assigned topic. It is up to the planning subcommittee to define the number of sessions

it deems necessary in order to exhaust the agenda and to call special meetings whenever necessary.

13) Hearings

Subcommittees may hold hearings to hear those interested in formulating reform proposals concerning areas within their competency. Preferential participation in sessions is open to spokesmen for work groups and representatives of the sectors and forces representing society.

14) Organization of hearings: Requests for hearings will be handled by the Office of the Executive Secretary. Before the hearing, the Office of the Secretary must record the written proposal, indicating the article of the constitution to be reformed, formulating a final draft of the reform, and justifying it, at least summarily, in a maximum of five pages.

Having received the hearing request, the executive secretary and general coordinator of the subcommittee will analyze the proposal in order to decide whether it merits a hearing. If not, the proponent will be so informed and may go to any member of the subcommittee to ask that the negative ruling be reconsidered. If it is, it will be included on the list of proposals for hearings, which will be presented for the consideration of the subcommittee before 15 October so that it may approve hearings to take place. The list will contain: the main subject of the proposal, the name of the proponent, and the scheduled time for the hearing. Several proposals may be presented at the same hearing based on their potential for contributing to the debate.

Every proponent invited by the executive secretary will have a maximum of 15 minutes to read the defense of his proposal. This will be followed by a discussion of no more than 45 minutes, which may be extended by a decision of the subcommittee. At the hearing, no speech may exceed five minutes. The executive secretary will sum up the main aspects of the debate. Any hearing must be announced publicly at least a week before it is to be held so that those interested may attend.

15) General coordinator: Every subcommittee may elect a general coordinator who will be responsible for calling and presiding over sessions, moderating sessions at which proposals are analyzed and articulated, and ensuring adequate compliance with the duties of the subcommittee.

16) Executive secretary: The executive secretary of each subcommittee will be appointed by the executive coordinator for Constitutional Assembly planning.

The executive secretary's duties are as follows:

a) to issue summons to planning subcommittee meetings to participating members and guests;

b) to report on sessions in accordance with the system the subcommittee has adopted for the purpose of performing its functions and drafting the final report under

the supervision of the general coordinator. Documents do not have to be approved by the subcommittee. In order to perform this duty, the subcommittee may recruit reporters who support the executive secretary;

c) to organize, provide, and arrange anything necessary for suitable conduct of the sessions insofar as office materials, general requirements of movement, the setting up of equipment, secretarial functions, and so on, are concerned;

d) to provide all documents and information required by the planning subcommittee, particularly the topic of reform and the regulation governing the operation of the subcommittees;

e) to provide everything necessary for the suitable operation of the Office of Executive Secretary and the planning subcommittee;

f) to maintain files of documents, minutes, or records of any nature resulting from meetings or used at such meetings, which, at the close of the subcommittee's term, are to be sent to the executive coordinator for planning of the Constitutional Assembly, who will organize them and turn them over to the Constitutional Assembly Documentation Center of the Luis Angel Arango Library, later to become part of the Constitutional Assembly Library;

g) to present the final report to the executive coordinator for planning of the Constitutional Assembly;

h) to classify proposals and petitions;

i) to present any partial preliminary reports that he might request to the executive coordinator; and

j) any other duties assigned to him by the planning subcommittee.

17) Competence of Subcommittees: Subcommittees may take up other points on the agenda that may not have been expressly assigned to them whenever necessary due to the close connection of the latter with matters within their competency. Such work will be recorded in the final report to be sent to the executive coordinator.

18) Final Report: The final report of subcommittees does not have to be submitted for a vote or approval by consensus. It must contain:

a) a brief and organized explanation of proposals indicating, in each case, the article of the political constitution which it reforms, to which point on the agenda it corresponds, the text of the new article as it should read in the Reform, and the name of persons or organizations supporting it;

b) justification of proposals: The length of such justifications may not exceed one page in the case of individual proposals, five pages in the case of proposals from members of the subcommittee, and 20 pages in the case of proposals

that have received significant support in the subcommittee and that contain a detailed reform proposal.

c) considerations which the subcommittee should decide to submit to the Constitutional Assembly, National Government, or the Government Advisory Drafting Committee;

d) a summary of the entire report in order to facilitate consultation; and

e) an index of proposals arranged according to the article of the constitution modified, derogated, or expanded. If it should be a matter of a new article, reference must be made to the title of the corresponding constitution.

Distribution of Final Reports: Final reports must be sent to the executive coordinator, who will be responsible for organizing them in such a way that they may be easily consulted and useful in the drafting and discussion of constitutional reform. The executive coordinator will send a copy of such reports to each of the political parties and movements represented in Congress and to the Government Advisory Drafting Committee. All organized files will be turned over to the Constitutional Assembly so they may be easily consulted by its members. The executive coordinator will prepare an outline of reports so the media may disseminate the essential aspects of proposals and permit their consultation by members of the Constitutional Assembly and National Government. The government will draft a format for the presentation of such reports.

19) Petitions and Regular Affairs

The executive secretary of every subcommittee will be responsible for classifying proposals for the purpose of excluding from the final report those not of constitutional ranking or not included on the agenda which, if passed by the people, would outline the competency of the Constitutional Assembly. Those requiring an administrative response will be sent to the proper ministry or administrative department by the executive secretary. Those having to do with the administration of justice will be sent to the Supreme Court of Justice or Council of State. Those within its competency may also be sent to the Office of the Attorney General. Constitutional reform proposals not included in the agenda will be sent to lower congressional committees.

Mechanisms are to be set up in the ministries and administrative departments to ensure that citizens receive a proper, timely reply.

20) Informative Support: The Luis Angel Arango Library of the Bank of the Republic will lend basic information services to planning subcommittees, and the Advanced School of Public Administration (ESAP) will aid the work groups.

The Constitutional Assembly Documentation Center will be set up at the Luis Angel Arango Library, made up of bibliographic material relevant to the process of constitutional reform and documents tracing the history

of such reform. The Center will later become the basis for the Constitutional Assembly Library.

21) Changes in Makeup: A member of any subcommittee who prefers to be on another may make such a request before 21 September to the executive coordinator for Constitutional Assembly planning, who will respond in writing and inform the general coordinator of the two corresponding subcommittees.

22) Duration: Planning subcommittees will function until 30 November 1990.

23) Regulation: Every subcommittee will establish its own work standards and methods, and compliance with this will be ensured by the general coordinator. A general work agenda is to be drawn up indicating the dates and schedule of sessions set up based on the points of the agenda to be studied and considering the proposals presented: the hearing schedule, drafting of reports, and so on.

Paraguay

Rodriguez, Spain's King Juan Carlos Speak PY2410222890

[Editorial Report] Asuncion HOY in Spanish on 23 October carries on page 12 an 850-word report on President Rodriguez' speech in Government House on 22 October during a banquet he offered for Spanish King Juan Carlos and Queen Sophia. A few minutes before the banquet, the article states, the Paraguayan president and the king of Spain exchanged decorations.

Rodriguez began his speech by expressing his happiness over the presence of the king and queen on the occasion of the preparations for the fifth centenary of the discovery of America. After stressing the Spanish and Indian origins of the country, President Rodriguez said that his administration wants to consolidate the transition to democracy, following the example of King Juan Carlos' own efforts in Spain.

Rodriguez said he hoped that Spain would become a bridge "between Iberoamerica and the EEC and produce the miracle of the rediscovery of solidarity and cooperation."

He added: "Thus, this thought of the past will inspire our future. I believe that Spain frankly and vigorously upholds this ideal. This is why Spain plays the role of our interlocutor before the European Community, defending our legitimate interests and our demands."

Rodriguez concluded by thanking King Juan Carlos for his invitation to participate in the 1992 commemorations of the fifth centenary of the discovery of America.

The report then notes that after exchanging decorations, King Juan Carlos said that 1992 should not only serve to celebrate the fifth centenary of the discovery of America but also "to jointly start a great common project."

He then referred to the special political moment Paraguay is experiencing and said: "You have Spain's support in this difficult task you have undertaken." He also said: "Only in freedom and democracy" is it possible to give the people a better living standard and a more just society.

King Juan Carlos ended his speech by mentioning the cultural ties that have existed between Paraguay and Spain since the times of the colony and made special mention of Paraguayan author Augusto Roa Bastos who has contributed to enrich the Spanish cultural heritage.

Rodriguez Bids Farewell to Spanish Monarchs
PY2510024690

[Editorial Report] Asuncion Red Nacional de Television in Spanish at 2030 GMT on 24 October broadcasts live coverage of the departure of Spanish King Juan Carlos I and Queen Sofia from Asuncion's Silvio Petirosi International Airport, after a three-day official visit. Reception is good.

At 2033 GMT, the Spanish monarchs' entourage begins to say goodbye to President Rodriguez, the first lady, and all the Paraguayan ministers, high-ranking military officers, and politicians who are at the airport to bid them farewell. The Paraguayan officials are seen filing in front of the monarchs to wish them farewell. After the monarchs enter their Spanish Air Force plane, shots of President and Mrs. Rodriguez as well as of the assembled dignitaries and military units are shown as the announcers recap the ceremony and the monarchs' visit.

Following the takeoff of the Spanish plane at 2102 GMT, journalists surround President Rodriguez to interview him on the visit. The Paraguayan president says that the visit has filled him with hope and pride. Rodriguez notes: "I believe this visit has been a very special moment for the country, and the Paraguayan Government, in its transition toward democracy, has received very solid support from the Spanish king and queen who have expressed their hope that we will tread the path that will lead us to the final goal of living in democracy, peace, and freedom."

In response to a question President Rodriguez says that Spanish assistance will begin after "the signing of agreements for economic, technological, and cultural cooperation." Another reporter then asks when Paraguay will receive the anticipated \$10 million in Spanish assistance for the construction and improvement of the national railroad. Rodriguez responds: "I did not know how much was involved in the offer. I know this has been discussed with the public works minister and the foreign minister." Rodriguez then confirms that he has been invited to attend the celebrations of the 500th anniversary of the European discovery of America, which will be held in Spain in 1992.

An unidentified reporter notes that no agreements were concluded in Paraguay as occurred in Chile, and he asks

Foreign Minister Frutos Vaesken when the agreements discussed during this visit will be signed. The minister says they will be probably signed in December or January 1991, when he accompanies President Rodriguez to Spain.

Coverage of the departure events ends at 2113 GMT, and the station returns to its normal programming.

Peru

State of Emergency Extended; Huamanga Exempt
PY2510015490 Lima Television Peruana in Spanish
0100 GMT 25 Oct 90

[Text] After nine years the state of emergency was not renewed in the city of Huamanga because terrorist actions have decreased there, and the situation in this city is now under control.

The government has extended the state of emergency for 60 days as of 25 October in the Departments of Apurimac, Huancavelica, San Martin, Junin, Pasco, and Ayacucho. It has also been extended in Huancayo and Ucayali; in Ucayali Province, Loreto Department; and in (Quindiri) District [geographic unit as heard], La Convencion District, Cuzco Department.

Terrorist Group Kills Lieutenant Colonel
PY2410215090 Lima Television Peruana in Spanish
1800 GMT 24 Oct 90

[Text] Lieutenant Colonel Oscar Caballero Castillo was murdered this morning by a terrorist group led by a woman. The crime was committed as the Army officer was leaving his home in Jesus Maria District for his office at the joint command.

His wife, crying, told other relatives that the 42-year-old Army Commander had been killed. Caballero Castillo also leaves one daughter.

This criminal act perpetrated by terrorist criminals gathered a large number of reporters and snoopers who hindered our work. It was revealed that the lieutenant colonel had been deployed to a zone in a state of emergency.

Eyewitnesses reported that they saw a Datsun [as heard] vehicle, license plate No. J17272, suspiciously hanging around the block where the officer lived.

When the officer left his house, he apparently encountered the criminals and struggled with them. At that point a woman arrived and killed him with two [as heard] shots at point-blank range.

[Begin recording] [Unidentified eyewitness] The officer was leaving his house when a terrorist got out of a red Toyota and fired at him. The officer fought with the terrorist in the middle of the road. A woman then got out of the Toyota and executed him.

[Reporter] How many shots did she fire?

[Eyewitness] Two shots, and when he fell to the ground she fired again.

[Reporter] At what time did this murder take place?

[Eyewitness] It was around 0830 or 0900.

[Reporter] Was the officer in plainclothes?

[Eyewitness] No. He was wearing his uniform.

Curfew Instituted Following Attack

PY2510000890 Lima EL COMERCIO in Spanish
22 Oct 90 p A11

[Text] Tarapoto, 21 Oct—According to a communique issued by the Political Military Command of San Martin Department, an indefinite curfew was instituted yesterday in Tarapoto following the terrorist attack on Peruvian Army General Mario Brito Romero. The curfew will be effective from 2200 to 0500.

During the attack, Peruvian Army Noncommissioned Officer Victor Valderrama, Brito's chauffeur, was killed and Peruvian Army Security Sergeant Martin Aguilar Torres was seriously injured.

Fujimori Comments on Decision To Withdraw Suit

PY2510001890 Madrid EFE in Spanish 0337 GMT
24 Oct 90

[Text] Lima, 23 Oct (EFE)—Peruvian President Alberto Fujimori today expressed his satisfaction over the withdrawal of a \$1.2-billion suit that some 12 commercial banks had filed against Peru with a New York court.

During a news conference at the Lima Town Hall, Fujimori said that the decision of the banks, among which are the "Citibank" and the "Bank of Tokyo," is "categorical evidence of their confidence in the economic stabilization policy."

He added that these banks believe that the current administration will reinsert Peru in the international financial community.

Fujimori described the news received from New York, which today was extensively covered in Peru, as "encouraging."

Fujimori said that the current image of Peru differs from that which the leaders of multinational credit organizations held when he met them in New York before he took office on 28 July. At that time they did not believe in Peru's ability or in that of its new administration.

Fujimori added: "the banks' decision will influence businessmen and Peruvian and foreign workers alike."

Missions from the IMF and the World Bank are studying the evolution of the Peruvian economic stabilization

process, and an Inter-American Development Bank delegation is scheduled to arrive on 26 October.

Shining Path Kills Intelligence Officer

PY2410105090 Madrid EFE in Spanish 2258 GMT
23 Oct 90

[Text] Huancayo (Peru), 23 Oct (EFE)—National Police personnel stationed in Huancayo, 315 km east of Lima, have reported that alleged members of the Peruvian Shining Path terrorist group today murdered noncommissioned officer Abel Canales, who was a member of the Army Intelligence Service.

Canales was attacked by three individuals as he left his home. The attackers shot at him with a revolver and a submachine gun; police sources noted that the noncommissioned officer was hit by at least six bullets. Canales is the sixth member of the Peruvian security forces to be murdered in political violence in Huancayo this month.

The Shining Path started its armed fight 10 years ago. In that time they have killed at least 21,000 people and caused material damage worth more than \$19 billion, which is equivalent to Peru's total exports over the past six years.

Shining Path Kills Governors, School Director

PY2410160090 Madrid EFE in Spanish 2139 GMT
23 Oct 90

[Text] Lima, 23 Oct (EFE)—The police reported today that two city governors and a teacher were killed by Shining Path terrorists in different areas of Peru. On 22 October Huachac Governor Tino Lopez was shot in Junin Department, in the Peruvian central mountain range, and Huascahuru Governor Jorge Alvarado was shot in Ayacucho Department, southeast of Lima.

The police reported that Lopez was killed by six Shining Path members in his house in Huachac, 15 km west of Huancayo, capital of Huancayo Department. Alvarado was attacked at his office in Huascahuru, 40 km from Ayacucho. After killing Huachac Governor Lopez, the terrorists burned the municipal building.

Another Shining Path group on 22 October attacked the town of Manzanares, near Huachac, and burned the local town hall. In Huaraz, capital of Ancash Department, 409 km north of Lima, sources reported that the director of the Superior Teaching Institute was murdered on 22 October.

Uruguay

Bomb Damages Islamic Center, Egyptian Embassy

PY2410140090 Buenos Aires NOTICIAS
ARGENTINAS in Spanish 1340 GMT 24 Oct 90

[Text] Montevideo, 24 Oct (AFP-NA)—An unidentified group carried out an attack against an Islamic cultural

center before dawn today. According to police sources, a medium-strength bomb went off at the Islamic Center, causing minor damage and slightly injuring a security guard.

The Islamic center is located in a posh Montevideo neighborhood next to the Egyptian Embassy; the injured guard was on duty at the embassy. The shock wave broke windows and damaged the plaster of both buildings and other structures nearby.

According to eyewitness reports, the attack was carried out by an unidentified group driving an old black car.

More on Attack Against Center

PY2410163090 Montevideo Radio El Espectador
Network in Spanish 1500 GMT 24 Oct 90

[Text] A bomb went off early today at a cultural institute located in the Egyptian Embassy compound. The blast damaged the institute and nearby houses.

The blast was reported at 0230. The police discovered that the bomb damaged doors, windows, and walls and that the force of the detonation also damaged nearby buildings, shattering windows up to the seventh floor in one of them. No victims were reported despite the fact that a janitor and several religious representatives [religiosos] were inside the building housing the Islamic cultural center when the bomb went off. The janitor and the others inside said that they did not notice anything unusual before the attack.

Personnel from the national fire brigade directorate, the technical police, and the 11th police station and a materiel and weapons service team reported to the scene.

Wool-for-Oil Barter Deal With USSR Viewed

PY2410161890 Madrid EFE in Spanish 0339 GMT
24 Oct 90

[Text] Tacuarembó, Uruguay, 22 Oct (EFE)—Livestock, Agriculture, and Fishing Minister Alvaro Ramos today told local media that Uruguay is negotiating a barter deal with the Soviet Union to exchange wool and lamb meat for oil. Ramos, who was visiting Tacuarembó, 380 km north of Montevideo, said that Uruguayan and Soviet experts will meet soon to discuss the deal.

Uruguay was stuck with a large surplus of lamb when it was not allowed to ship 22,000 tons of meat to Iraq after the UN Security Council decided to impose an economic blockade on that Arab country for its invasion of Kuwait.

Uruguay has imported a million barrels of oil from the Soviet Union at prices established before the outbreak of the Persian Gulf crisis. Uruguayan wool shipments to the USSR, a large importer of wool, have been delayed of late due to payment difficulties in Moscow. The Soviet Union has not yet paid for part of its wool purchases

from last year's sheep-shearing season, Ramos told journalists in Tacuarembó. The minister said the government is studying the possibility of continuing wool exports but within a barter trade framework.

The Persian Gulf crisis has affected the Uruguayan economy, which has experienced two fuel price adjustments totaling 61.5 percent since 1 September.

Third Quarter International Reserves Reported

PY2510011690 Montevideo EL DIA in Spanish
4 Oct 90 p 13

[Summary] According to official reports, the country's net international reserves increased \$49 million in September, bringing the July-September quarter reserves up to \$85 million.

Guyana

Minister McKenzie Views Agriculture Situation

FL2410223590 Bridgetown CANA in English
2209 GMT 24 Oct 90

[Report by Courtney Gibson]

[Text] Georgetown, Guyana, Oct 24, CANA—Rice production is down and so is sugar—both important foreign exchange earners—but Guyana's Agriculture Minister Dr Patrick McKenzie is optimistic about the future of the agricultural sector as he points to its "bright spots". Many farmers who are experiencing a shortage of tools and equipment might not agree with McKenzie's assessment that the country's agriculture is "in good shape".

However, he looks with satisfaction to performance such as a 400,000 gallon surplus of edible oils spurred by rehabilitation and improved technology in the coconut and palm oil industries across the South American country's coastlands.

Milk production, which was 2.8 million gallons in 1983, was seven million gallons last year because of the reintroduction of artificial insemination to improve stocks and a project to help about 800 dairy farmers establish more than 1,500 acres of improved pastures. While the target is to be completely self sufficient with about 12 million gallons, McKenzie says the goal is not immediately achievable because of problems with electricity supplies.

Still on the up side, the minister points proudly to fish production, which moved from 18,000 tons a year in the 1970s to 40,000 tons last year, largely because of assistance from the European Community (EEC), Canada and Japan. While poultry is generally down, a duck breeding project launched six years ago with Chinese help has matured and has produced 360,000 ducklings

which have been distributed to small farmers. But McKenzie notes that because duck feed is produced locally and chicken feed is imported, ducks might be more beneficial to the economy.

McKenzie acknowledges that the rice and sugar industries as well as the poultry sub-sector are experiencing difficulties and that adverse weather conditions and collapsing sea and river defence structures, together with a shortage of foreign exchange, are conspiring to make life difficult for the nation's farmers. He notes that whereas between 1985 and 1988 there were six breaches to the country's nearly 200 miles of sea and river defence structures, there were 12 in 1989 and 36 during the first half of this year. The Guyana coastland is some six feet below sea level at high tide.

Annual production of sugar now hovers around 160,000 tons compared with close to 300,000 tons about 10 years ago. For two consecutive years, 1988/89 and 1989/90, the country failed to meet its 167,000 tons quota with the lucrative EEC market by 35,000 and 13,000 tons. The shortfall would have been much greater had not the government resorted to importing an estimated 30,000 tons of sugar each year to supply the domestic market.

Sugar might get back on its feet through a contract with the British firm Booker Tate to manage the state-owned Guyana Sugar Corporation (Guysuco) starting October 1. Sugar workers have also been given the incentive of higher wages and a chance to hold shares in the industry, and the World Bank is committed to helping finance an extensive rehabilitation programme.

McKenzie said that while the average yield of about 22 bags of rice per acre last year was better than at any other time in the history of the industry, the acreage now under cultivation has dropped sharply. The 58,000 acres of rice

being harvested this year is less than half the 130,000 at the peak in the 1970s, when the average planted was 110,000 acres.

The rice industry, McKenzie says, is being plagued by a serious "equipment problem" with most of the still servicable equipment being 12 to 18 years old. Many rice farmers have therefore opted for dairy farming instead. He says the equipment problem is being addressed through a US\$27 million dollar loan arrangement being finalised with the Inter-American Development Bank (IDB) for spare parts and equipment for the rice and sugar industries.

"A lot of people who have left the rice industry for dairy farming did so because of the lack of equipment—including tractors and harvesters. But if we get the equipment tomorrow, they will get back into rice," McKenzie told CANA.

The prospects for agriculture in Guyana he says are "very good" and he is optimistic about the country being able to tap the resources of its vast intermediate savannahs where there is extensive research activity by the Caribbean Agricultural Research and Development Institute (CARDI). He sees the intermediate savannahs being "particularly important for crops like sorghum, soya beans, legumes and that kind of crop that you can use combines for harvesting large acreages". The intermediate savannahs, he says, should also be an important area for fruits and it has already demonstrated that it is an area for cattle.

In addition, the government is committed to spending "millions of dollars" on establishing drainage and irrigation and repairing schemes such as the badly delapidated one at Black Bush Polder, the country's major food producing area.